ABORIGINAL AFFAIRS
AND NORTHERN DEVELOPMENT

Annual Report

2004-2005

Alberta
Aboriginal Affairs and
Northern Development

106-00052/

ABORIGINAL AFFAIRS
AND NORTHERN DEVELOPMENT

Annual Report
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PREFACE

Public Accounts 2004-05

THE PUBLIC ACCOUNTS OF ALBERTA are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta, released June 29, 2005, contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Aboriginal Affairs and Northern Development contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes other financial information as requested by the *Financial Administration Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.

MINISTER'S ACCOUNTABILITY STATEMENT

The Ministry's Annual Report for the year ended March 31, 2005, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 1, 2005, with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

MINISTER
Aboriginal Affairs and Northern Development
September 8, 2005

MESSAGE FROM MINISTER CALAHASEN

Aboriginal people and Northern Albertans are a few of our Province's most important resources. The future prosperity of our province depends, in part, on the full participation of these stakeholders into the social and economic life of the province.

By listening to and working closely with stakeholders, Aboriginal Affairs and Northern Development (AAND) advances the social and economic priorities of Aboriginal people and Northern Albertans in a way that benefits all of Alberta.

I am pleased to present the 2004-05 Aboriginal Affairs and Northern Development Annual Report, which reflects the commitments and actions of not only my Ministry, but other provincial departments, other levels of governments, First Nations, Metis, and other Aboriginal organizations, industry, and other interested parties.

This year, major strides were made in the areas of supporting education and lifelong learning, economic participation, and northern development. Several projects were funded and coordinated to assist students in making the transition from secondary to post secondary education. This included partnering with Alberta Learning to introduce the Youth Apprenticeship Project, which allows northern students to explore career opportunities and gain valuable work experience. The Ministry also partnered with five northern colleges to link post secondary education with employment demands.

The Aboriginal Workforce Participation Initiative was launched in Alberta to strengthen the equitable participation of Aboriginal people in the workforce through enhancing awareness, capacity and partnerships between Aboriginal peoples and all sectors of the economy. The First Nations Economic Capacity was also launched to address Aboriginal community and economic development capacity issues. The Ministry also co-hosted an Aboriginal Roundtable on Tourism to take advantage of the growing demand for Aboriginal tourism.

The Ministry, through the Northern Alberta Development Council (NADC), worked with a number of partners on priority issues including road, rail and air transportation; housing; value-added agriculture; tourism and skill development. As a member of the newly formed Commuter Air Access Network of Alberta, the NADC will continue to support efforts to achieve optimal access to air services within and adjacent to the Province of Alberta. AAND will continue to work closely and collaboratively with NADC to ensure that the interests of Northern Albertans are given prominence.

Overall, 2004-05 was a very successful year for AAND. We will continue to build upon our successes and remain committed to the goals, principles, and commitments to action in the *Aboriginal Policy Framework*. And we will continue to strengthen relations between Alberta ministries and Aboriginal people and to raise the awareness and inclusiveness of Aboriginal people among all Albertans.

Sincerely,

Hon. Calahasen, MINISTER
Aboriginal Affairs and Northern Development

MANAGEMENT'S RESPONSIBILITY FOR REPORTING

The Ministry of Aboriginal Affairs and Northern Development includes the Department of Aboriginal Affairs and Northern Development with the Northern Alberta Development Council and the Metis Settlements Appeal Tribunal reporting to the Minister.

The executives of the individual entities within the Ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the Ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Aboriginal Affairs and Northern Development. Under the direction of the Minister, I oversee the preparation of the Ministry's Annual Report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Aboriginal Affairs and Northern Development any information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

DEPUTY MINISTER

Aboriginal Affairs and Northern Development

September 6, 2005

ORGANIZATIONAL OVERVIEW

THE MINISTRY OF ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT leads the implementation of *Strengthening Relationships: The Government of Alberta's Aboriginal Policy Framework* (the APF), which is intended to improve the well-being and self-reliance of Aboriginal people and to guide Alberta's relations with Aboriginal governments, communities, and organizations. The Ministry also focuses on sustainable development in Northern Alberta by partnering with Northerners and businesses, industry and other jurisdictions. The Minister of AAND is also responsible for administration of the Métis Settlements legislation.

AAND contact information: (780) 427-8407 or www.aand.gov.ab.ca

Sections within the Ministry

THE FOLLOWING SECTIONS are part of the Ministry of Aboriginal Affairs and Northern Development:

ABORIGINAL LAND AND LEGAL ISSUES

This section helps identify and resolve land-based issues in Alberta, coordinates all provincial government activities regarding Aboriginal land claims, and works with Alberta Justice to represent Alberta's interests in litigation.

ABORIGINAL INITIATIVES

Aboriginal Initiatives works with Aboriginal communities and other partners to enhance social and economic opportunities for Aboriginal people throughout Alberta. This work includes implementing the APF and coordinating government-wide support for the cross-ministry Aboriginal Policy Initiative (API). This section also oversees a number of agreements between the Alberta government and Aboriginal groups and is responsible for administration of Métis Settlements legislation.

STRATEGIC SERVICES

Strategic Services coordinates the implementation of government-wide strategies, including the cross-ministry API. This section also publishes research and statistical reports about Aboriginal communities and people in Alberta, coordinates AAND's participation in intergovernmental processes, and leads corporate planning for the Ministry.

OFFICE OF THE SENIOR FINANCIAL OFFICER/ CHIEF INFORMATION OFFICER

The Office of the Senior Financial Officer/Chief Information Officer coordinates the provision of financial services, information technology and administration for the Ministry, through shared service arrangements with Alberta International and Intergovernmental Relations, and the Alberta Corporate Service Centre. Human resources services are provided through contracts with Alberta Learning.

COMMUNICATIONS

Communications provides strategic communications planning, issues management, and media monitoring and relations services. This section also coordinates website development, advertising, and printing.

Other Entities Within the Ministry

NORTHERN ALBERTA DEVELOPMENT COUNCIL (NADC)

The NADC is a council of and for Northerners, working to advance the social and economic development of Northern Alberta. The NADC works in partnership with the private sector, communities, economic development agencies, Aboriginal groups, and government ministries. Gary Friedel, MLA, chaired the council and reported to the Minister of AAND to December 20, 2004. On December 15, 2004 Mr. Ray Danyluk (MLA, Lac La Biche-St. Paul) was appointed Chair of the Northern Alberta Development Council.

NADC offices are located in Peace River, Lac La Biche, and Edmonton. Staff reports through an Executive Director to the Deputy Minister of AAND.

NADC contact information: (780) 624-6274 or www3.gov.ab.ca/nadc

Other Entities Reporting to the Minister

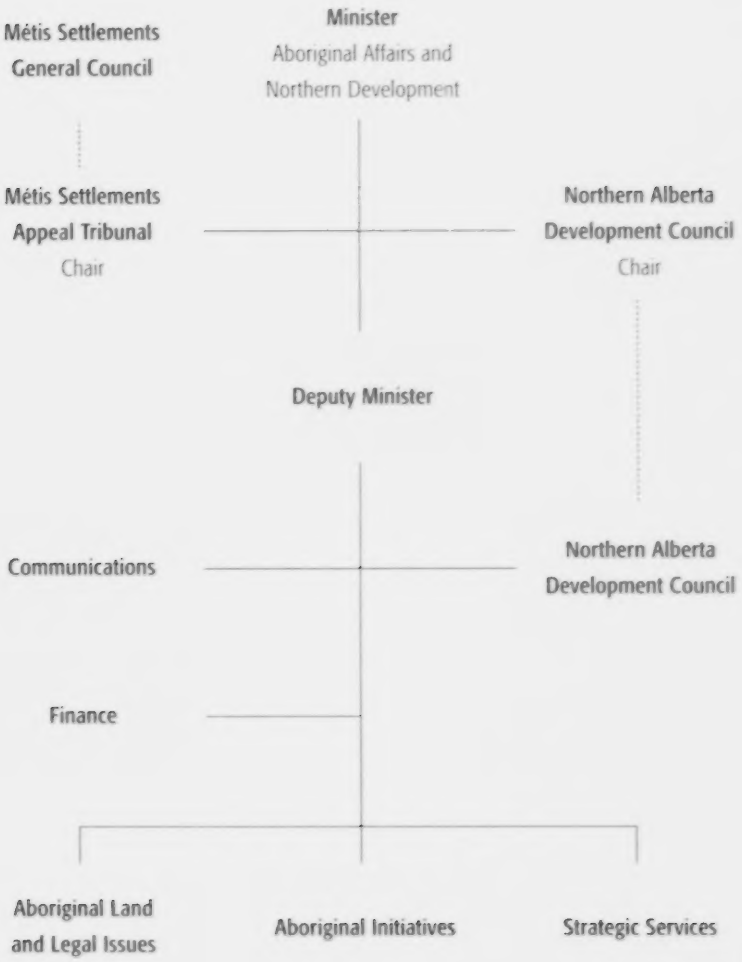
MÉTIS SETTLEMENTS APPEAL TRIBUNAL (MSAT)

The MSAT, a quasi-judicial body, hears land and membership appeals arising between Métis Settlement members and councils. The Chair of MSAT reports to the Minister of AAND. The Minister and the Métis Settlements General Council both appoint members to the Tribunal. Administrative support and staffing are provided by the Ministry.

MSAT contact information: (780) 422-1541 or www.msat.gov.ab.ca

Chart of Ministry Entities

ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT



OPERATIONAL OVERVIEW

Vision

AN ALBERTA that includes the full participation of self-reliant Aboriginal and Northern Albertans in the province's opportunities and prosperity.

Mission

WITH ALBERTA MINISTRIES, Aboriginal and other partners, support a social and economic environment that promotes the well-being and self-reliance of Aboriginal and Northern Alberta people and communities.

Core Businesses

THE APF IS THE POLICY FOUNDATION for implementing core businesses relating to Aboriginal people in Alberta. The APF established principles and commitments to action for all Ministries to work in partnership with First Nations, Métis and other Aboriginal communities, organizations, and people, and with other governments, industry, and interested parties to facilitate the participation of Aboriginal people in the life and economy of Alberta.

The Ministry's core businesses for 2004-05 were:

- **Core Business 1 – Aboriginal Relations**: To encourage initiatives to increase Aboriginal participation in the social and economic life of Alberta and to facilitate the resolution of significant Aboriginal issues.
- **Core Business 2 – Northern Development**: To facilitate the development of Northern Alberta.

Role of the Ministry

AAND IS NOT A PROGRAM MINISTRY, but rather serves as a catalyst, coordinator and facilitator in developing and implementing Aboriginal policies, programs, and services across government. The Ministry also works with other ministries to develop, coordinate and implement strategies to advance economic and social opportunities in Northern Alberta. The Ministry relies on the active support of other ministries and agencies in addressing Aboriginal issues. AAND also communicates government programs and policies to Aboriginal people, industry, and other interested parties.

Key Factors that Influenced Performance

DURING **2004-05**, AAND's profile continued to increase with other ministries, industry, local governments and also with Aboiginal governments, communities and organizations. AAND is becoming increasingly engaged in northern development and sustainability issues as a result of cross-jurisdictional discussions with other provinces, territories and regions. Developing consultation practices regarding land management and resource development on Crown land and addressing gaps in regulatory processes continue to be key challenges for the department.

The Aboriginal population continues to grow in Alberta, especially in the major cities, posing challenges for all orders of government and government-funded service providers.

AAND is continuing to work with Métis Settlements and the Métis Settlements General Council to prepare for the end of statutory provincial funding to Settlements in 2007.

Significant efforts were required to initiate development of provincial strategies to engage with First Nations and Canada on self-government issues.

Key Activities

AAND WAS INVOLVED IN NUMEROUS ACTIVITIES during 2004-05, which are described in further detail in the Results Analysis section of this report. The following section provides an overview of key activities, improvements and major consultation processes that occurred during the year.

ABORIGINAL POLICY FRAMEWORK

AAND continued to work with other ministries toward fulfilling the commitments outlined in the APF. The APF sets out the basic structure for existing and new Government of Alberta policies to address First Nations and Métis issues in Alberta and also facilitates Aboriginal input into strategies being developed by provincial ministries.

In 2004-05, AAND led the cross-ministry Aboriginal Policy Initiative (API), which involved 17 Alberta Ministries working toward achievement of 15 annual targets. Thirteen of the 15 API targets for 2004-05 were achieved or exceeded. The Ministry also participated in cross-ministry initiatives addressing economic participation, land management and resource development, and Aboriginal peoples' well-being. Specific well-being projects focused on Aboriginal youth suicide prevention, family violence prevention, traffic safety, and fire prevention.

AWARENESS AND UNDERSTANDING OF ABORIGINAL CULTURES

AAND supports initiatives and events aimed at improving awareness and understanding of Aboriginal people and cultures in Alberta. Key cultural awareness activities supported during 2004-05 included assistance to the cities of Calgary and Edmonton to host week-long celebrations of National Aboriginal Day. The Ministry supported 25 events to increase awareness and understanding of Aboriginal people and cultures. The Ministry also completed planning for the Aboriginal Centennial Initiative, with the assistance of the Minister's Aboriginal Festivities Committee. Support was provided for eight Aboriginal Centennial events in 2004-05.

LAND AND LEGAL ISSUES

Key land and legal issues addressed in 2004-05 included major progress on resolution of land claims and further development of a government-wide policy for consultation with First Nations on land management and resource development.

- **Land Claims:** During 2004-05, Alberta's obligations were concluded with respect to the following land claims and other land-related issues: Athabasca Chipewyan First Nation land exchange; Smith's Landing First Nation Treaty Land Entitlement claim; Cold Lake First Nations specific claim; and Fort McKay First Nation land exchange.
- **First Nations Consultation Initiative:** AAND continued to lead development of a government-wide policy for consultation with First Nations on land management and resource development. Extensive involvement by First Nations and industry stakeholders in the development of both government-wide policy and ministry-specific guidelines continued throughout 2004-05.

ECONOMIC PARTICIPATION

Improved economic participation by Aboriginal people and communities is one of the keys to improved well-being and self-reliance. Key economic participation initiatives during 2004-05 included:

- **Aboriginal Workforce Participation Initiative (AWPI):** AAND, with Alberta Human Resources and Employment (AHRE) and Indian and Northern Affairs Canada (INAC), launched the federal AWPI program in Alberta. Results include signing of the first federal-provincial AWPI agreement and a joint federal-provincial AWPI conference attended by over 200 employers.
- **Regulatory Gaps on Indian Reserves:** AAND worked with other Alberta ministries, the federal government, interested First Nations and project proponents to address the lack of regulatory regimes to encourage and control development on Indian Reserves. Federal legislation is expected in 2005-06 to enable piloting of provincial regulatory regimes to regulate and control future development on Indian Reserves.

- **First Nations Economic Partnerships Initiative:** AAND led the development of a new initiative, to be implemented starting in 2005-06, that will assist in addressing First Nations economic development and economic capacity issues.
- **Tourism Development:** The Ministers of AAND and Economic Development hosted Alberta's first Aboriginal Leaders' Roundtable on Tourism in June 2004. AAND also worked with Northern and regional stakeholders to promote development of Aboriginal and Northern tourism.

GOVERNANCE

Key governance issues addressed in 2004-05 included amendments to Alberta's Métis Settlements legislation and a new process for federal/provincial/territorial discussions related to Aboriginal affairs.

- **Métis Settlements Legislative Amendments:** In the Spring 2004 session, AAND introduced amendments to the Métis Settlements legislation intended to improve governance, decision-making and accountability on Alberta's eight Métis Settlements. The *Métis Settlements Amendment Act, 2004* received Royal Assent on May 11, 2004.
- **Canada-Aboriginal Peoples Roundtable Process:** In 2004-05, the Western/Territorial Aboriginal Affairs Ministers' process was superseded by the Canada-Aboriginal Peoples Roundtable (CAPR) Process. The CAPR process is a Federal government initiative to renew federal relationships with the Aboriginal Peoples of Canada. AAND and the Ministry of International and Intergovernmental Relations coordinated Alberta's participation in the CAPR process. This process will lead to a First Ministers Meeting on Aboriginal issues in the fall of 2005.

NORTHERN DEVELOPMENT

The Ministry continued to focus on partnerships with other northern jurisdictions to advance northern issues. Key partnerships during 2004-05 included:

- The **Alberta-Northwest Territories Memorandum of Understanding on Cooperation and Development**: Priorities are economic development, transportation and tourism.
- **Deh Cho Travel Connection**: This partnership focuses on joint marketing, with British Columbia and the Northwest Territories, of northern tourism opportunities.
- **Northern Development Ministers Forum**: This partnership, involving ten Canadian northern regions and the federal government, is intended to enhance northern development and increase awareness of the North's contributions to Canada.

Northern Learning/Skill Development

Enhanced education and skill development contribute to the development of Northern Alberta and address province-wide skill shortages. Key activities during 2004-05 included:

- The **Northern LINKS** program, which supported 130 projects to encourage Northern students to complete school and pursue post-secondary education.
- Enhanced bursary programs to support Northern Students in pursuing post-secondary education. A new program, the **NADC Bursary for Pharmacy Students** was introduced in 2004-05.
- A **health care practicum pilot placement** was developed with northern regional health authorities and post-secondary institutions to encourage health care students to complete their practicum placements in Northern Alberta.

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

In connection with the Ministry of Aboriginal Affairs and Northern Development's performance measures included in the 2004-2005 *Annual Report of the Ministry of Aboriginal Affairs and Northern Development*, I have:

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated within the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2004.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the performance measures included in the *2004-2005 Annual Report of the Ministry of Aboriginal Affairs and Northern Development*.

Fred J. Dunn

FCA
AUDITOR GENERAL

Edmonton, Alberta
July 29, 2005

RESULTS ANALYSIS

Financial Overview

EXPENSE BY CORE BUSINESS

The Ministry's 2004-05 expenses by core business (thousands of dollars) are outlined in the table below.

		2004-05 Actual	2004-05 Budget	2003-04 Actual
Aboriginal Relations	$	33,636	33,655	33,585
Northern Development	$	2,000	2,004	1,926
Ministry Expense	$	35,636	35,659	35,511

EXPENSE BY FUNCTION

The Ministry's 2004-05 expense by function (thousands of dollars) is outlined in the table below.

		2004-05 Actual	2004-05 Budget	2003-04 Actual
Regional Planning and Development	$	35,636	35,659	35,511

Integrated Results Analysis

IN 2004-05, THE MINISTRY had two Core Businesses: Aboriginal Relations and Northern Development.

ABORIGINAL RELATIONS

The majority of the Ministry's activities and expenses were related to the Aboriginal Relations Core Business. Total actual expenses for this Core Business were $33,636,000. The major activities and associated expenses within Aboriginal Relations included:

- $14.8 million to the Métis Settlements General Council to fulfil statutory funding requirements pursuant to Alberta's Métis Settlements legislation and the *Matching Grants Replacement Agreement*;
- $6.8 million for development of a government-wide consultation policy, including discussions with First Nations and industry stakeholders; development of First Nations consultation capacity; and support for Aboriginal communities to conduct Traditional Use Studies;
- $5.7 million for First Nation and Métis Relations, funding support for Aboriginal organizations, and development of the First Nations Economic Participation Initiative;
- $2.5 million to support negotiation of treaty land entitlement claims, support Alberta's participation in other land-related negotiations, and address jurisdictional barriers to economic development on First Nation reserves; and
- $1.7 million to support urban Aboriginal initiatives; Alberta's participation in the Aboriginal Workforce Participation Initiative; participation in Cross-Ministry Initiatives; Federal/Provincial/Territorial/Aboriginal Relations; and statistical research and publications.

The Aboriginal Relations Core Business supports Goals 1 and 2 of the Ministry Business Plan. Significant strategies implemented in 2004-05 included consultation activities with First Nations, administration of Alberta's Métis Settlements legislation, timely settlement of outstanding treaty land entitlement claims, and working with Alberta ministries to address commitments under the APF. Two of three numerical Business Plan targets related to this Core Business (Métis Settlements self-generated revenue and percentage of Ministries addressing Aboriginal issues) were exceeded. Results for the achievement of API targets (87% of API targets achieved) were slightly below the Business Plan target of 90%. Two narrative performance measures report further progress related to Business Plan Goals 1 and 2.

Achievement of Business Plan goals related to the Aboriginal Relations Core Business is affected by numerous external factors, including: existing social and economic disparities between Aboriginal people and other Albertans; limited economic participation by some Aboriginal communities; jurisdictional and regulatory barriers to development on-reserve; and increasing expectations for resolution of Aboriginal issues. Examples of the influence of external factors in the achievement of results related to the Aboriginal Relations Core Business include:

- First Nations economic participation: Results are affected by existing educational attainment levels, community capacity related to economic participation, geographic isolation of some communities, and a lack of clear regulatory regimes to govern on-reserve development.
- First Nations self-government: Initiatives by the Government of Canada at the national level are expected to result in more requests from Alberta First Nations for provincial participation in self-government discussions. This area has potentially significant implications for jurisdictional arrangements, service delivery and fiscal responsibilities in relation to First Nations.

NORTHERN DEVELOPMENT

The Northern Development Core Business supports the activities of the NADC and Goal 3 of the Ministry Business Plan. Significant strategies implemented in 2004-05 included engagement with Northern stakeholders and partnerships with other jurisdictions to promote Northern opportunities and address challenges.

Total actual expenses for this Core Business were $2,000,000. Expenses related to the Northern Development Core Business supported engagement with Northern stakeholders, interjurisdictional initiatives and initiatives related to transportation, agriculture, partnerships and education/skill development. Funding for administration of Northern student bursaries is included in this Core Business.

Both Business Plan targets for this Core Business (partner satisfaction and bursary recipients' return service rate) were exceeded in 2004-05. External factors affecting results for this Core Business include a lack of infrastructure in parts of Northern Alberta, existing education and skill levels, and an increasing need for partnerships to promote Northern opportunities and address challenges.

Goal 1:
Collaboration to identify and resolve issues

Proactively collaborate with Aboriginal governments/ organizations, other ministries, jurisdictions and stakeholders to identify and resolve issues.

INTRODUCTION

The Ministry of Aboriginal Affairs and Northern Development (AAND) administers the Province's Métis Settlements legislation and works with Aboriginal, government and other parties to identify and resolve land and resource issues. AAND represents Alberta in land claims negotiations and co-ordinates provincial participation in the implementation of land claim settlement agreements. The Ministry enhances provincial relations with Aboriginal people, organizations and governments, including First Nations, Métis Settlements, the Métis Nation of Alberta Association, Friendship Centres and urban Aboriginal communities. AAND also works with other ministries to facilitate Aboriginal participation in provincial government initiatives.

MÉTIS SETTLEMENTS

In November 1990, Alberta enacted legislation establishing a unique form of local government on the Métis Settlements. The Métis Settlements legislation (*Métis Settlements Act; Métis Settlements Land Protection Act; Constitution of Alberta Amendment Act, 1990*; and *Métis Settlements Accord Implementation Act*) established the only Métis land base and the only legislated Métis governments in Canada. It outlined the statutory responsibilities and powers of the provincial government and the Métis Settlements governing institutions.

AAND administers the Métis Settlements legislation on behalf of the Province and works with the Métis Settlement General Council (MSGC) on capacity-building and governance initiatives. Ministry activities for 2004-05 focused on completing amendments to the Métis Settlements legislation and continued progress on the Transition Assessment and Planning (TAP) project.

Métis Settlements Legislative Amendments

Amendments to the Métis Settlements legislation were proposed in 2003-04 and introduced in the Legislative Assembly of Alberta on April 1, 2004. Bill 30, the *Métis Settlements Amendment Act, 2004* received Royal Assent on May 11, 2004. Amendments to the Métis Settlements legislation were intended to improve decision-making, provide for greater electoral stability and enhance accountability of the Métis Settlements governing institutions.

Transition Assessment and Planning project

The TAP project is a partnership initiative between the Ministry and the MSGC. TAP is intended to:

- Review overall progress toward the goals of the 1989 Alberta/Métis Settlements Accord and corresponding legislation (passed in 1990);
- Fulfil the requirement of the *Métis Settlements Accord Implementation Act* (sections 9(1) and 9(2)) for reviews of the financial arrangements to determine whether they meet the needs of the Settlements and their members in light of prevailing circumstances; and
- Prepare for the end of current statutory funding arrangements in 2007.

In 2004-05, the Ministry and the MSGC worked toward completion of Stage 1 of TAP. Stage 1 of TAP includes an assessment of progress toward the goals of the Accord and corresponding legislation regarding infrastructure, governance, and programs and services delivered by Métis Settlements.

LAND AND LEGAL ISSUES

AAND represents Alberta in cases where Aboriginal issues interact with issues of ownership of and jurisdiction over land and the use of natural resources. This responsibility includes such activities as consultation, traditional use studies, responding to changes in the law or its interpretation and resolution of First Nation land claims.

First Nations Consultation Initiative

In the APF, Alberta committed to consult with Aboriginal people when regulatory and development activities may infringe existing treaty, *Natural Resource Transfer Agreement*, or other constitutional rights. Development of a strategy to design and implement a "made-in-Alberta" consultation policy was approved by Cabinet in 2002-03. The Alberta approach includes extensive involvement by First Nations and industry in the development of all components of the policy, including ministry-specific guidelines which will outline the details of how the policy will be implemented.

Implementation of the "made-in-Alberta" strategy includes the following elements:

- Development of an over-arching government policy for consultation with First Nations on land management and resource development;
- Development of ministry-specific guidelines for implementing the consultation policy across different sectors; and
- Assistance to First Nations to build their capacity to participate in implementation of the consultation policy and guidelines.

During 2004-05, AAND continued to work with seven other ministries (Community Development, Economic Development, Energy, Environment, Justice, Sustainable Resource Development [SRD], and Infrastructure and Transportation) to advance development of the consultation policy. Feedback on the draft policy was sought from all First Nations and key industry stakeholders. Tribal and treaty organizations were invited to meet with the Minister of AAND to discuss the draft policy. Review and revision of a final draft policy continued throughout 2004-05. The proposed *Government of Alberta's First Nations Consultation Policy on Land Management and Resource Development* is expected to be approved by Cabinet in 2005-06.

To facilitate development of ministry-specific consultation guidelines, AAND supported partnering ministries in the formation of an Industry Advisory Group. Five meetings between the Industry Advisory Group and partnering ministries were held in 2004-05. AAND also coordinated First Nation advisory groups, based on the Treaty Areas in Alberta. Meetings between Alberta officials and advisory Groups for Treaties 6, 7 and 8 are ongoing. Development of ministry-specific guidelines for consultation with First Nations on land management and resource development is expected to continue throughout 2005-06.

First Nations Consultation Capacity

AAND administers the First Nations Consultation Capacity initiative on behalf of Alberta. This initiative assists First Nations to develop or enhance their internal processes for responding to requests for consultation on land management and resource development. Enhanced capacity in First Nations supports implementation of the policy and guidelines, by assisting First Nations to develop methods to effectively participate in the consultation process. In 2004-05, the First Nations Consultation Capacity initiative supported 21 projects with First Nations, Tribal Councils and Treaty Organizations.

Traditional Use Studies

The APF states that "the Government of Alberta recognizes the importance of working with the leadership and Elders of First Nations and with industry to develop baseline studies of traditional uses." In 2004-05, AAND continued its work with partnering ministries (SRD, Energy, Environment, and Community Development) to support and monitor implementation of the Traditional Use Study (TUS) program. This program enables Aboriginal communities to be better prepared to be consulted on land management and resource development. It also facilitates the consideration of Aboriginal interests in provincial land use decisions. In 2004-05, Alberta supported 27 traditional use studies involving 54 Aboriginal communities.

Data management remains a priority for the TUS program. Alberta is committed to negotiating data management agreements that meet the needs of the Province, First Nations, and industry. Data management agreement negotiations with all funded First Nations continued throughout 2004-05.

Métis Hunting

During 2004-05, AAND continued to work with other Alberta ministries and other jurisdictions on development of a policy response to Supreme Court decisions related to Métis hunting. The ministry co-led development of a federal-provincial response to the Supreme Court decision in the *Powley* case. The federal government, the five provinces from Ontario west, the Métis National Council and its five provincial affiliates participated in a multi-party process.

AAND also led the development of an Alberta response to implement the *Powley* decision. Government of Alberta negotiators from SRD, AAND and Justice developed interim agreements with the Métis Nation of Alberta Association (MNAA) and the MSGC that honour the *Powley* decision while maintaining Alberta's jurisdiction over natural resources, including wildlife, and ensuring that appropriate conservation measures are in place. *Interim Métis Harvesting* agreements were signed with the MNAA (September 28, 2004) and the MSGC (September 30, 2004). Implementation of the Supreme Court decision in the *Powley* case is ongoing. The interim agreements between the Province and the MNAA and MSGC will be reviewed in 2005-06.

Land Claims and Land-Related Negotiations

AAND coordinates Alberta's participation in land claims negotiations between Canada and First Nations and ensures that the obligations of the Province are fulfilled. The number of claims addressed varies each year, as each claim typically involves a complex process of in-depth research, negotiations and implementation to satisfy the interests of all parties. AAND also coordinates Alberta participation in other land-related negotiations with First Nations.

During 2004-05, progress was made on the following land claims and land-related negotiations:

- Athabasca Chipewyan First Nation land exchange;
- Smith's Landing First Nation Treaty Land Entitlement (TLE) claim;
- Cold Lake First Nations specific claim;
- Fort McKay First Nation land exchange; and
- Sarcee Trail Extension through Tsuu T'ina Nation lands.

Athabasca Chipewyan First Nation land exchange

In 2000-01, the Athabasca Chipewyan First Nation (ACFN) presented a formal proposal to Alberta regarding an exchange of land involving a portion of Indian Reserve #201. AAND, with the Ministries of Community Development, Energy and SRD, negotiated the terms of a land exchange agreement with Canada and the ACFN for a corresponding amount of provincial Crown lands along the shores of Lake Athabasca and Richardson Lake. AAND worked with Energy to address metallic and industrial mineral interests within the proposed exchange lands and with Community Development to address issues concerning historic resources. The ACFN land exchange agreement was approved by Cabinet in the summer of 2004 and executed by Alberta ministers in the summer and fall of 2004. As of March 31, 2005 the agreement was awaiting signature by the Government of Canada.

Smith's Landing First Nation Treaty Land Entitlement claim

Under the terms of the March 31, 2000 agreements respecting settlement of the Smith's Landing TLE claim, Alberta agreed to provide not less than 19,000 acres of provincial Crown lands, including mines and minerals, to be set aside as Indian Reserve for the use and benefit of the Smith's Landing First Nation. Following completion of legal surveys by Canada, AAND worked with Natural Resources Canada and the Ministries of Energy and SRD to draft legal descriptions for the Orders-in-Council. The Ministers of Energy and SRD brought forward the Recommendations for Orders-in-Council to Cabinet in June 2004. The transfers of Provincial Crown land to the Smith's Landing First Nation fulfilled Alberta's obligations under the Canada-Alberta Agreement respecting settlement of the Smith's Landing TLE claim.

Cold Lake First Nations specific claim

As part of the Cold Lake Specific Claim (September 16, 2002), Alberta agreed to sell 5,000 acres of Crown land to Canada to be set aside as Indian Reserve for the use and benefit of the Cold Lake First Nations. In this instance, Alberta had no legal or constitutional obligation to transfer unoccupied Crown lands to Canada. Alberta's role in this specific claim was to assist the parties in settlement of the claim and to address issues related to the creation of the Cold Lake Air Weapons Range. In 2004-05, AAND worked with the Ministry of Infrastructure and Transportation to address mapping and highway corridor requirements. Following the survey of the lands by Canada, AAND worked with Natural Resources Canada and the Ministries of Energy and SRD to draft the legal descriptions for the Orders-in-Council. The Ministers of Energy and SRD brought forward the Recommendations for Orders-in-Council to Cabinet in August 2004. The transfer of administration and control of the 5,000 acres of Crown lands and minerals concluded Alberta's obligation under the sale agreement.

Fort McKay First Nation land exchange

In the early 1980s, Alberta agreed to enter into discussions with Canada and the Fort McKay First Nation on a possible land exchange involving Indian Reserve #174 and a corresponding amount of provincial Crown land in the Hamlet of Fort MacKay. Although a land exchange agreement was concluded in 1996, the land transfers were delayed pending settlement of the Fort McKay TLE claim. With validation of the Fort McKay TLE claim in 1998, Alberta encouraged the parties to conclude their obligations under the land exchange agreement, on the understanding that the First Nation could select the surrendered reserve as part of a larger block of land under a future TLE settlement. With the concerns of all parties addressed as a result of this understanding, major progress was made on the satisfactory conclusion of this agreement. In 2004-05, AAND worked with Natural Resources Canada and the Ministries of SRD and Energy to draft legal descriptions and prepare the Recommendations for Orders-in-Council. The Ministers of Energy and SRD brought forward the Recommendations for Orders-in-Council to Cabinet in August 2004. The transfer of lands and minerals concluded Alberta's obligation under the 1996 land exchange agreement.

Sarcee Trail Extension through Tsuu T'ina Nation lands

The extension of the Sarcee Trail from its present ending at Glenmore Trail/Highway 8 to Highway 22X offers reduced travel time and increased convenience to interprovincial transport, residents of southwest Calgary and members of the Tsuu T'ina Nation. During 2004-05, AAND provided advice to Alberta Infrastructure and Transportation and the Tsuu T'ina Nation on corridor selection, principles of an agreement, and the land acquisition options available. AAND also assisted the parties in identifying lands to be exchanged for those reserve lands used up in the road right-of-way. Alberta Infrastructure and Transportation reached an agreement-in-principle with the Tsuu T'ina Nation in April 2004. In February 2005, the Minister of Infrastructure and Transportation and the Chief of the Tsuu T'ina Nation signed a development framework agreement. This agreement commits the parties to:

- Address technical issues involved in developing the road;
- Negotiate exchange lands for land taken up by the right-of-way; and
- Negotiate in good faith toward final agreements by November 1, 2005.

ABORIGINAL RELATIONS

Enhanced relations with Aboriginal communities, organizations and governments lead to increased understanding between government and Aboriginal people, improved Aboriginal involvement in government initiatives and more Aboriginal participation in the province's economy and society. Priority activities for 2004-05 with respect to Aboriginal relations included First Nations self-government and urban Aboriginal initiatives. The Ministry also facilitated Aboriginal involvement in initiatives led by other Alberta ministries.

First Nations Self-Government

The APF recognizes in principle the inherent right of self-government and commits Alberta to participate in the development of self-government agreements, if invited to do so by the federal government and First Nations. AAND is leading development of a proposed policy framework to guide the province's participation in self-government discussions between Canada and First Nations. AAND is also leading Alberta's participation in self-government discussions between Canada and specific First Nations.

In 2004-05, AAND chaired an interdepartmental committee, with participation by nine other ministries, to begin development of a policy framework to guide Alberta participation in current and future self-government discussions. A proposed policy framework for Alberta's participation in self-government discussions is expected to be completed for consideration by Cabinet in 2005-06.

In 2004-05, AAND co-ordinated the participation of Alberta ministries in ongoing discussions between the Blood Tribe and Canada regarding the delivery of child and family services on the Blood reserve. AAND also participated as an observer in self-government discussions between Canada and the Treaty 8 First Nations of Alberta.

Urban Aboriginal Initiatives

Since 1996, there have been significant increases in the numbers of Aboriginal people living in Alberta's major cities. The Ministry has responded to the unique circumstances of urban Aboriginal people by working with federal, provincial, Aboriginal and municipal partners to identify and address issues affecting Aboriginal people in Alberta's major cities. In 2004-05, the Ministry supported the federal Urban Aboriginal Strategy (UAS) and urban Aboriginal initiatives in Calgary, Edmonton and Lethbridge.

Urban Aboriginal Strategy

The federal UAS is intended to assist major Canadian cities with significant Aboriginal populations to better identify and address the issues affecting those populations. Prior to 2004-05, the UAS supported ongoing processes in Calgary and Edmonton intended to identify and address urban Aboriginal issues. In 2004-05, the federal government identified the City of Lethbridge as the third UAS city in Alberta. AAND's role in implementing the UAS includes participating in discussions between the federal government and municipalities and coordinating the participation of Alberta ministries in ongoing processes and specific projects.

Urban Aboriginal Initiatives

The Calgary Urban Aboriginal Initiative (CUAI) is an ongoing process to determine and respond to community priorities for addressing issues affecting Aboriginal people living in the City of Calgary. AAND represents Alberta at the CUAI funding table and coordinates Alberta's involvement in and support for specific projects. In 2004-05, the Province supported community-based projects addressing Aboriginal programming, program evaluation, pre-employment skill development and decision-making.

The City of Edmonton is addressing relationship-building with Aboriginal people through the Edmonton Urban Aboriginal Accord process. In 2004-05, AAND participated in discussions between the city and Aboriginal organizations in Edmonton, intended to improve decision-making related to Aboriginal issues. The Ministry also coordinated provincial support for community-based projects related to criminal justice, Aboriginal programming in public schools and enhanced programs for Aboriginal youth.

AAND supported urban Aboriginal initiatives in Lethbridge by working with the City of Lethbridge, the Lethbridge Aboriginal community and the federal government to support the city's Aboriginal Opportunities Initiative. AAND provided advice to the parties to develop appropriate processes to implement the UAS, supported the Lethbridge Aboriginal community to improve their decision-making processes and assisted in discussions with the federal government to support Lethbridge through the federal UAS.

Aboriginal Involvement in Provincial Initiatives

AAND facilitates Aboriginal inclusion in provincial initiatives through cross-ministry activities (see Goal 2) and by encouraging Aboriginal involvement in initiatives led by other Alberta ministries. AAND facilitated Aboriginal inclusion in the following major initiatives in 2004-05:

- **Traffic Safety**: AAND facilitated Aboriginal involvement in *Saving Lives on Alberta's Roads*, the Province-wide traffic safety initiative led by Alberta Infrastructure and Transportation. Implementation of this initiative will begin in 2005-06.
- **Prevention of Family Violence and Bullying**: In May 2004, the Provincial Roundtable on Family Violence and Bullying brought government and community representatives from across Alberta together to discuss issues and potential collaborative solutions. AAND facilitated Aboriginal involvement in the Provincial Roundtable and follow-up recommendations, led by Alberta Children's Services. Ongoing implementation will include engagement of Aboriginal communities and an Aboriginal Advisory Committee.
- **Alberta Ambassador Program**: The Ambassador Program supports Government of Alberta employees in outreach activities to promote employment in the provincial public service. In 2004-05, AAND worked with the Personnel Administration Office and other Alberta ministries to improve awareness of Aboriginal people and cultures within government and to improve outreach to Aboriginal communities.

AAND also facilitates increased contact and cooperation between Aboriginal and non-Aboriginal communities and organizations toward objectives of mutual interest. In 2004-05, AAND provided assistance in completion of the following initiatives:

- **Aboriginal Veterans Memorial**: AAND assisted the Aboriginal Veterans Society of Alberta and the Ministry of Infrastructure and Transportation to erect a monument at the Alberta Legislature grounds honouring the contribution of Aboriginal veterans. A memorial ceremony is planned for 2005-06.

- **Delivery of Municipal Services to Peerless Lake, Trout Lake and Chipewyan Lake:** AAND facilitated discussions between the Ministries of Sustainable Resource Development and Municipal Affairs, the Municipal District of Opportunity, and the communities of Peerless Lake, Trout Lake and Chipewyan Lake regarding land use and the delivery of municipal services in the three communities. Protocol Agreements were negotiated and signed by the parties in May 2004.
- **Fire Safety:** AAND worked with the Alberta Fire Commissioners' Office and WalMart Canada to implement an Aboriginal-specific fire safety campaign as part of Fire Safety Week 2004. Aboriginal-specific fire safety initiatives address the increased risk of fire-related deaths, injuries and property damage in Aboriginal communities.

CONCLUSIONS AND CHALLENGES FOR GOAL 1

The Ministry continued its cooperative efforts with the Métis Settlements and their governing institutions to enhance self-reliance, accountability and self-regulation. Amendments to the Métis Settlements legislation are expected to make a major contribution toward these objectives. Progress continued on development of a government-wide policy for consultation with First Nations on land management and resource development. Major progress was also made on the settlement of outstanding land claims and other land-related negotiations. Ongoing challenges include further development of a government-wide consultation policy and ministry-specific operational guidelines, development of a policy framework to guide provincial participation in self-government discussions between Canada and First Nations, and development of processes and initiatives to address the circumstances of Aboriginal people living in Alberta's major cities.

To provide strategic and coordinated responses to improve the participation of Aboriginal people in Alberta's social and economic opportunities.

PERFORMANCE MEASURES FOR GOAL 1

The Ministry has two performance measures for Goal 1 for 2004-05. The measure related to Métis Settlements self-generated revenue is intended to assess the progress of Alberta's Métis Settlements toward the goal of self-reliance. A narrative measure on development of the Aboriginal Policy Checklist reports progress on an initiative to enhance provincial government capacity to address Aboriginal issues and incorporate Aboriginal perspectives into ongoing ministry business.

Métis Settlements self-generated revenue from industrial taxation, user fees and levies

This measure documents the amount of revenue generated by Métis Settlements that could be used to support the cost of local governments. Industrial taxation, user fees and levies have been chosen as the basis for calculating self-generated revenue, because these are the standard mechanisms by which other local governments raise revenue. The source of data is based on Métis Settlements' financial statements. In 2003-2004, the Ministry requested Settlement Administrators to calculate self-generated revenue on that basis. For 2004-2005, the results generated were based on the Ministry's assessment of Settlements' financial statements, of which seven were audited and one was a draft audited financial statement.

Increases in Métis Settlement self-generated revenues are an important mechanism to offset reductions in funding from government leading up to 2007, when provincial statutory funding ends. This measure is also an indication of economic self-reliance.

As indicated in the table below, the total amount of revenue generated by all eight Métis Settlements from industrial taxation, user fees and levies for the year ending March 31, 2004 was $4.04 million. This is an increase of 5.0% from the previous year and exceeded the Ministry's Business Plan target of $3.88 million.

Year Ending	Self-generated revenue from industrial taxation, user fees & levies	% increase from previous year
March 31, 2002 (2001-02)	$ 3,731,549	Baseline year
March 31, 2003 (2002-03)	$ 3,845,668	3.1%
March 31, 2004 (2003-04)	$ 4,037,499	5.0%

Development of the Aboriginal Policy Checklist

The development of an Aboriginal Policy (AP) Checklist is a commitment in the Aboriginal Policy Framework (APF). An AP Checklist is a tool intended to enhance government capacity and ensure that Aboriginal issues are addressed during the design of government policies, programs and services. A draft AP Checklist, developed during 2003-04, was tested by five Alberta ministries in 2004-05. The aim of testing was to determine the effectiveness of the draft document in practical applications. The testing process included the establishment of an internal website and the development of testing guidelines. Each ministry testing the draft AP Checklist submitted a report on the results of its testing process.

Feedback from testing indicated that many users required assistance with navigating the document, due to the large amount of information that it contained. Revisions were made to the draft AP Checklist to make it more user-friendly. These revisions included a three-step procedure to assist users in narrowing their focus. A Final Draft of the AP Checklist was completed in March 2005. The document will be made available to all Alberta ministries in 2005-06.

Goal 2: Promote the well-being and self-reliance of Aboriginal people in Alberta

Assist in development of strategies and initiatives to promote the well-being and self-reliance of Aboriginal people in Alberta.

INTRODUCTION

Strategies to enhance the well-being and self-reliance of Aboriginal people support achievement of the goals of the APF. The Ministry leads implementation of the APF across government, through the cross-ministry Aboriginal Policy Initiative (API) and by collaborating with other ministries to identify and address barriers to enhanced social and economic circumstances of Aboriginal communities and people. AAND also represents Alberta in intergovernmental initiatives related to Aboriginal people and issues.

ABORIGINAL POLICY FRAMEWORK

The APF guides Alberta's relations with Aboriginal people. It applies across all Alberta ministries and commits the Government of Alberta to working with Aboriginal people, other governments, industry and other interested parties toward two goals:

1) Enhanced individual and community well-being and self-reliance, and
2) Clarified federal, provincial and Aboriginal roles and responsibilities.

Addressing the 44 Commitments to Action in the APF requires coordination between provincial ministries, as well as partnerships with the Aboriginal community, other governments, industry and others. This section summarizes the Ministry's 2004-05 results related to the API and cross-cultural awareness.

Aboriginal Policy Initiative

The API continued as one of the Government of Alberta's cross-ministry priority policy initiatives in 2004-05. The API focuses on building partnerships, developing collaborative and practical solutions, and strengthening relations between government, Aboriginal communities, industry and other partners. Partnerships and relationships are the foundation for long-term solutions to the complex issues involved in improving the well-being and self-reliance of Aboriginal communities and people in Alberta.

AAND continued to champion the API, with support from the API co-champion ministries, Justice and Children's Services. Fourteen Deputy Ministers participated on the API Champion and Supporting Deputy Ministers Committee for 2004-05. This committee oversees development of and reporting on the API targets in the Government Business Plan. Results for the API annual targets are included in the section "Performance Measures for Goal 2".

Cross-Cultural Awareness

AAND enhances relations between government and Aboriginal people by facilitating increased Aboriginal inclusion in provincial initiatives (see Goal 1). The Ministry also supports initiatives to improve awareness and understanding of Aboriginal people and cultures in Alberta. Two major initiatives supported by the Ministry in 2004-05 were National Aboriginal Day celebrations and Aboriginal Centennial Initiatives.

National Aboriginal Day

In 1996, the Government of Canada proclaimed June 21 as National Aboriginal Day (NAD). NAD celebrates the contributions that Aboriginal people have made and continue to make to Canadian society. NAD events help to increase awareness and understanding of Aboriginal people and cultures. In 2004, the Ministry provided funding and organizational support for 29 NAD events held in Edmonton, Calgary and Wetaskiwin.

Aboriginal Centennial Initiative

During 2004-05, the Ministry, with the assistance of the Minister's Aboriginal Festivities Committee, completed planning for the Aboriginal Centennial Initiative. The objectives of this initiative are to ensure that Aboriginal people have opportunities to participate in Alberta's Centennial and to ensure that the contributions of Aboriginal people are recognized. Support was provided for eight Aboriginal Centennial events. Other Aboriginal Centennial events will be supported in 2005-06.

ECONOMIC PARTICIPATION

Improving the participation of Aboriginal people and communities in the Alberta economy is one of the keys to improved well-being and self-reliance. AAND works with other Alberta ministries and other partners on specific initiatives to improve Aboriginal economic participation. Economic participation initiatives in 2004-05 included the Aboriginal Workforce Participation Initiative, the Aboriginal Labour Force Survey, addressing regulatory gaps on Indian Reserves and support for First Nations economic participation.

Aboriginal Workforce Participation Initiative

The Aboriginal Workforce Participation Initiative (AWPI) is a federal program that aims to provide opportunities for employment, service contracting and supply chain participation to Aboriginal people while assisting mainstream workplaces to be more welcoming to Aboriginal workers. Building on the federal-provincial partnership agreement of March 31, 2004, AAND, with AHRF and INAC , organized a province-wide conference for employers and Aboriginal leaders. The conference, "The Aboriginal Workforce – Building the Labour Market of the Future", was held in Edmonton on June 23, 2004 and was attended by over 200 employers. A follow-up newsletter, produced by the federal and provincial governments, was distributed to all conference participants.

Following the conference, the City of Grande Prairie and its water treatment utility company worked with AAND and INAC to conclude an agreement with the Western Cree Tribal Council and the Métis Nation of Alberta Association, Zone 6. This agreement was signed by all parties on March 3, 2005. AAND and INAC have invited representatives of industry sectors and Aboriginal organizations to form an advisory committee to guide future AWPI activity in Alberta.

Aboriginal Labour Force Survey

The Aboriginal Labour Force Survey (ALFS) is an initiative to collect province-wide labour force data for the off-reserve Aboriginal population. The ALFS was conducted as a pilot project in 2003-04 and continued through 2004-05. AAND coordinated funding from seven ministries (AHRE, Finance, Economic Development, Education, Advanced Education, SRD, and Energy) to conduct the survey in 2004-05. Results to date indicate significant differences between "North American Indian" and Métis people with respect to economic participation and employment rates. Results from the ALFS are posted on AHRE's website (www3.gov.ab.ca/hre) on a monthly basis.

Regulatory Gaps on Indian reserves

The lack of regulatory regimes to encourage and control large-scale development projects on Indian reserves is a major impediment to economic development on-reserve and to the achievement of the goals of the APF. Federal regulation regarding commercial, industrial, environmental, safety and resource conservation activities on Indian reserves is extremely limited and much of existing provincial regulatory law may not apply. This situation produces the "regulatory gap".

AAND is working with other Alberta ministries, the federal government, interested First Nations and project proponents to address the "regulatory gap" (also refer to the section "Performance Measures for Goal 2"). To date, all parties have agreed that the most effective way of meeting this need is to incorporate Alberta regulations by reference into a mechanism that controls development. Two control mechanisms are considered as possible vehicles: 1) the lease under which the development acquires use of reserve land; or 2) federal legislation.

In 2004-05, negotiations using incorporation under lease terms were underway on four projects. In September 2004, Canada requested Alberta participation in renewed discussions toward two bills (the *First Nations Oil and Gas and Money Management Act* and the *First Nations Commercial and Industrial Development Act*) that would permit incorporation of regulations by Canada or a proponent First Nation. Discussions on Alberta's regulatory regimes for various developments and the details of Canada's proposed legislation will continue during 2005-06.

First Nations Economic Participation

During 2004-05, AAND led the development of a cross-ministry First Nations Economic Partnerships Initiative. This initiative comprises four strategies:

- Improved alignment of federal and provincial programs;
- Increased First Nations economic capacity;
- Support for strategic partnership initiatives; and
- Extension to First Nations of business information and sector-advisory services provided to other Alberta businesses.

A commitment of funding for five years was obtained as part of the 2005-08 budget process. Three ministries (AAND, Economic Development and AHRE) will be implementing the First Nations Economic Partnerships Initiative beginning in 2005-06.

AAND also supported a number of specific economic participation projects with First Nations during 2004-05, including:

- A database project with the Lesser Slave Lake Indian Regional Council to provide better labour force information to assist in the training and employment of First Nation members.
- Initiatives by the Paul First Nation to improve relations with local industry.
- A pilot project with the Little Red River Cree Nation to increase the number of successful owner-operator businesses.

CROSS-MINISTRY INITIATIVES

Participation in cross-ministry priority policy initiatives is an opportunity for AAND to facilitate development of Aboriginal-specific initiatives by other ministries and their partners. AAND also coordinates development of strategies and targets with other cross-ministry priority policy initiatives. In 2004-05, AAND participated in the Health Sustainability Initiative (HSI) and the Alberta Children and Youth Initiative (ACYI). Participation in the HSI resulted in development of Aboriginal-specific health care and health promotion initiatives. AAND participation in the ACYI has contributed to the development and implementation of Aboriginal-specific initiatives related to youth suicide prevention and mentoring.

Aboriginal Youth Suicide Prevention Strategy

AAND is co-leading the Aboriginal Youth Suicide Prevention Strategy with the Ministry of Health and Wellness. A province-wide strategy to address the high rate of suicide deaths among Aboriginal youth was developed in 2003-04. A cross-ministry committee is currently supporting Aboriginal communities in the first phase of implementation of the strategy. Three communities are developing and implementing action plans to address youth suicide issues in their communities.

Aboriginal Mentoring

AAND co-led an Aboriginal Mentoring Pilot Project with the Ministry of Children's Services and the Alberta Mentoring Partnership. This group worked with four Aboriginal pilot project sites (Paul First Nation, Métis Nation of Alberta Association Region 3, Bent Arrow, and Blood Tribe) to enhance existing mentoring programs or establish new mentoring initiatives.

ADMINISTRATIVE AND GOVERNANCE CAPACITY BUILDING

The Ministry's capacity building initiatives with Aboriginal communities and organizations contribute to more successful partnerships with government, industry and other partners. AAND works with Aboriginal communities and organizations on specific projects to encourage the transfer of skills, knowledge and tools to facilitate improved planning and administrative capacity.

AAND's capacity-building initiatives for 2004-05 included:

- Assisting the Aseniwuche Winewak Nation Society in Grande Cache to develop a strategy to communicate its strategic plan to potential partners.
- Assisting the Paul First Nation to develop administrative policies and procedures, an orientation process for Chief and Council, and a process for Chief and Council to review grievances arising from program and financial decisions.
- Supporting the Alberta Native Friendship Centres Association to develop financial policies and procedures, training manuals for the Board of Directors, and procedures for the selection of Executive Members.

MINISTRY ADVISORY COMMITTEES

In 2003-04, the Minister of AAND established advisory committees to gather input on issues, initiatives and strategic planning. The 2004-05 activities of these committees are summarized below.

The Aboriginal **Community Advisory Committee** includes First Nation and Métis Elders and community members from across Alberta. During 2004-05, committee members reviewed the draft Ministry 2005-08 Business Plan and provided feedback to the Minister. The Committee also held a focus group to identify issues related to Family Violence and Bullying (see Goal 1). A Committee member was sponsored to attend the Canadian Association for Suicide Prevention (CASP) conference held in Edmonton in October 2004.

The Aboriginal **Youth Advisory Committee** consists of First Nation and Métis youth from communities across Alberta. This group reviewed the draft Ministry 2005-08 Business Plan and provided feedback to the Minister. The Committee shared youth issues and perspectives with the Minister and participated in planning initiatives with other Alberta ministries. The Ministry also sponsored Committee members to attend the CASP conference.

The **Industry Advisory Committee** includes members from various business sectors, including oil and gas, oil sands, banking, telecommunications, electricity distribution and forestry. This group reviewed the draft Ministry 2005-08 Business Plan and provided feedback to the Minister. The Committee also advised the Ministry on matters of importance to industry, including consultation on land management and resource development issues (see Goal 1).

FEDERAL/PROVINCIAL/TERRITORIAL/ABORIGINAL RELATIONS

AAND represents Alberta in numerous ongoing processes involving federal/provincial/territorial governments and National Aboriginal Organizations (NAOs). The ministry's results from 2004-05 Federal/Provincial/Territorial/Aboriginal (FPTA) processes are summarized below.

FPTA Forum

The FPTA Forum, involving the federal, provincial and territorial Ministers of Aboriginal Affairs and the leaders of the NAOs, has been a major forum for intergovernmental discussions on Aboriginal issues for the past several years. This forum developed the publication *Journey to Success: Aboriginal Women's Business Planning Guide*, launched in 2003-04. In 2004-05, this document, now available in five languages, was adopted by the United Nations as a model for other countries.

Canada – Aboriginal Peoples Roundtable (CAPR) process

The CAPR process is a federal government initiative to renew federal relationships with the Aboriginal Peoples of Canada. The Canada-Aboriginal Peoples Roundtable was held in Ottawa on April 19, 2004. Members of the federal Cabinet, the Senate and the House of Commons engaged with Aboriginal leaders from across the country. Alberta, with the other provinces and territories, attended the Roundtable as observers.

The CAPR process is the follow-up to the Roundtable, and includes:

- Sectoral discussions with Aboriginal organizations, experts and provincial/territorial government observers;
- A Policy Retreat with members of the Federal Cabinet Committee on Aboriginal Affairs and Aboriginal leaders; and
- A First Ministers Meeting (FMM) with Aboriginal leaders on Aboriginal issues.

The sectoral discussions occurred during 2004-05, while the Policy Retreat and the FMM will take place in 2005-06.

In response to the CAPR process, AAND established a cross-ministry coordinating committee to oversee Alberta participation. AAND and the Ministry of International and Intergovernmental Relations (IIR) coordinated Alberta attendance as observers at all sectoral discussions. AAND will continue to work with the Ministry of IIR to coordinate Alberta participation in the FMM on Aboriginal issues. This meeting is scheduled for the fall of 2005. Additional information on the CAPR process is available on the CAPR website (www.aboriginalroundtable.ca/).

CONCLUSIONS AND CHALLENGES FOR GOAL 2

Assist in development of strategies and initiatives to promote the well-being and self-reliance of Aboriginal people in Alberta.

In 2004-05, the Ministry continued to work with other ministries to develop and implement initiatives to address the well-being and self-reliance of Aboriginal communities and people. In addition to specific initiatives related to economic participation and well-being, the Ministry supported events and activities intended to raise awareness and understanding of Aboriginal people and cultures in Alberta. AAND will continue to lead implementation of the APF across government, with a focus on partnerships and relationships as the foundation for improvements in the well-being and self-reliance of Aboriginal communities and people in Alberta.

PERFORMANCE MEASURES FOR GOAL 2

The performance measures for Goal 2 assess the Ministry's success in leading implementation of the cross-ministry API, facilitating implementation of the APF across the provincial government, and assisting other provincial ministries to develop initiatives to address the needs of Aboriginal communities and people. A narrative measure on strategies to address regulatory barriers to economic development on First Nation reserves reports progress on work with First Nations and the federal government to facilitate enhanced Aboriginal participation in the provincial economy.

Percentage of targets identified in the Aboriginal Policy Initiative achieved

Annual targets for the cross-ministry API are developed by ministries participating on the Interdepartmental API Committee, under the direction of the API Champion and Supporting Deputy Ministers Committee. The information presented below was prepared for publication in *Measuring Up 2004-05*, part of the Government of Alberta's 2004-05 Annual Report. This information published in *Measuring Up* was based on internal reports submitted by the ministries responsible for reporting on individual targets.

Increasing the participation of Aboriginal people in the provincial economy is one way to improve the social and economic circumstances of Aboriginal communities. Aboriginal youth are the fastest-growing segment of the Alberta labour force. Education and training of Aboriginal youth contribute to individual and community self-reliance and assist in addressing skilled labour shortages in Alberta. Of the 15 API targets for 2004-05, 13 were met or exceeded. Two targets remained in progress at the end of the fiscal year (March 31, 2005). The percentage of targets achieved for 2004-05 was 87% (13 / 15 X 100), which is below the Ministry Business Plan target of 90%. Results for this target are affected by the number of initiatives proposed each year. The four API objectives for 2004-2005 are outlined in the table below, with targets and results achieved for the year.

OBJECTIVE: **Improve the health status and well-being of Aboriginal people.**

TARGET	RESULTS
Implement 52 new Aboriginal wellness initiatives.	**Target exceeded.** 56 new Aboriginal wellness initiatives implemented in 2004-05, addressing community-based primary health care, diabetes prevention, HIV awareness and prevention, tobacco reduction, and substance abuse awareness and prevention.
Initiate FireSmart projects in 15 Aboriginal communities.	**Target met.** During the 2003 and 2004 fire seasons, FireSmart projects, including fuel and hazard reduction and fire guard construction, were undertaken in 15 Aboriginal communities across Alberta. This was a two-year project to reduce forest fire hazards and improve Aboriginal participation in forest fire safety programs.
Provide 60,000 participant hours in recreation, sport and arts through the Alberta Future Leaders program.	**Target exceeded.** During 2004-05, the Alberta Future Leaders program provided 60,390 participant hours of recreation, sport and arts programming to youth in 12 Aboriginal communities.
Increase number of mentors in Aboriginal Youth mentoring pilot project sites by 15%.	**Target exceeded.** The number of mentors participating in four pilot project sites increased from 17 to 33, an increase of 94%.

OBJECTIVE: **Support life-long learning opportunities for Aboriginal people and promote appreciation of Aboriginal cultures.**

TARGET	RESULTS
Increase percentage of Aboriginal Albertans aged 25-34 completing high school and post-secondary programs (establish baseline data).	**Target met.** Results from the 2004 Aboriginal Labour Force Survey show the following educational attainment rates for Aboriginal Albertans aged 25-34 living off-reserve: • 73% have completed high school; and • 41% have completed post-secondary education.
Provide 20 additional teacher training spaces for Aboriginal learners.	**Target exceeded.** 24 additional teacher training spaces were provided for Aboriginal learners through the Blackfoot Teacher Education Program at Red Crow College. 12 Aboriginal students continued in the Bachelor of Education program at the University of Lethbridge in 2004-05.
75% of 500 Provincial employees that participated in cultural awareness training report a better understanding of Aboriginal issues.	**Target exceeded.** 824 Provincial employees from six ministries participated in Aboriginal awareness training in 2004-05. 603 participants completed evaluation questions related to their understanding of Aboriginal issues. 96% of participants completing the evaluation question reported a better understanding of Aboriginal issues as a result of awareness training.
Establish 5 new Aboriginal Junior Forest Ranger crews.	**Target exceeded.** During the 2003 and 2004 fire seasons, six new Aboriginal Junior Forest Ranger crews were established. This was a two year initiative to encourage increased participation of Aboriginal youth in the provincial Junior Forest Ranger Program.

OBJECTIVE: **Increase the participation by Aboriginal people in the Alberta economy.**

TARGET	RESULTS
Percentage of participants in First Nations Training to Employment Program employed post-intervention. Measure under development.	**Target met.** Baseline data developed for both completion of training and employment outcomes for the 2003-04 First Nations Training to Employment Program • 81% of 170 participants successfully completed training. • 85% of 138 participants successfully completing training were employed in the field for which training was taken three months after completion.
Implement ongoing Aboriginal-specific Labour Force Survey and develop baseline data	**Target met.** The Aboriginal Labour Force Survey continued in 2004-05. The survey is conducted monthly by Statistics Canada, with results posted on Alberta Human Resources and Employment's website. Data collected to date show consistently higher employment and economic participation rates for Métis people compared to North American Indians.
Develop Aboriginal Workforce Participation Initiative (AWPI) project with Provincial, Federal, Aboriginal and private sector partners	**Target met.** A joint federal-provincial AWPI conference in June 2004 was attended by more than 200 employers. The City of Grande Prairie signed an AWPI agreement with Alberta and Canada in March 2005.
Complete SuperNet build to eligible First Nations (42) wanting service (eligible First Nations are those with provincial learning institutions or health facilities)	**Target in progress.** 44 Alberta First Nations have requested SuperNet service at 125 sites. In 2004-05, construction was completed to 92 sites on 36 First Nations. The SuperNet build is expected to be complete by September 30, 2005.

OBJECTIVE: **Clarify federal/provincial/Aboriginal roles and responsibilities.**

TARGET	RESULTS
Test draft Aboriginal Policy Checklist in selected Alberta ministries.	**Target met.** The draft Aboriginal Policy Checklist was tested in five ministries during 2004-05. The draft checklist was revised as a result of testing and will be available for government-wide use in 2005-06.
Develop, with Aboriginal communities and industry, cross-ministry guidelines for Aboriginal consultation regarding resource development and land management.	**Target in progress.** A proposed Alberta consultation policy was developed with extensive input from First Nations and industry. Guidelines for consultation regarding resource development and land management are being developed, pursuant to the proposed policy.
Support 5 traditional use studies in Aboriginal communities.	**Target exceeded.** Alberta supported 27 traditional use studies involving 34 Aboriginal communities in 2004-05.

Percentage of Alberta Ministries addressing Aboriginal issues

This measure demonstrates progress toward a commitment in the APF (p. 13) that the Government of Alberta will identify strategies and performance measures in appropriate Ministry and agency business plans directed toward the goal of improved individual and community well-being and self-reliance. This measure is also an indication of AAND's success in assisting other ministries to address Aboriginal issues.

In previous years, data for this measure was collected by reviewing Ministry Business Plans for Aboriginal content. In the 2004-07 Ministry Business Plans, new standards were adopted. The movement toward more strategic business plans resulted in the removal of Aboriginal content from some Ministry Business Plans.

For 2004-05, AAND used the following methods to collect data for this measure:

- A review of all Ministry Business Plans for Aboriginal content. This review determined that 17 ministries, in addition to AAND, included Aboriginal content in their 2004-07 Ministry Business Plans.
- A survey of other Ministries to identify Aboriginal initiatives not included in Ministry Business Plans. The survey identified four additional ministries with Aboriginal initiatives that were not identified in their Ministry Business Plans.

The total number of ministries addressing Aboriginal issues was calculated as follows:

- 18 ministries with Aboriginal content in their Business plans;
- 2 ministries with Aboriginal initiatives in their Operational Plans but not their Business Plans; and
- 2 ministries engaged in Aboriginal initiatives not identified in either their Business Plans or Operational Plans.

Total # of ministries addressing Aboriginal issues = 18 + 2 + 2 = 22.
% of Alberta Ministries addressing Aboriginal issues: 22 / 24 X 100 = 92%.

This result exceeds the Ministry Business Plan target of 80%. Results for 2004-05 are not comparable with results from the previous year due to changes in methodology.

Strategies to address regulatory barriers to economic development on First Nation reserves

AAND is working with other Alberta ministries, the federal government, interested First Nations and project proponents to address the "regulatory gap", which refers to the lack of regulatory regimes to encourage and control large-scale development projects on Indian reserves. For proposals involving a "regulatory gap", the parties have generally agreed that incorporating Alberta's existing regulatory systems by reference may be an effective way to enable development on reserves while controlling its impacts. Incorporation by reference can be accomplished in two ways: 1) by including the regulations in the terms of a lease; or 2) by the passing of federal enabling legislation.

At the beginning of 2004-05, four Alberta First Nations had project proposals with "regulatory gap" implications. All four proposals were being considered for regulation under the terms of a lease. During 2004-05, Alberta officials met with Canada, proponent First Nations and their industry partners to discuss lease terms that would enable the use of Alberta law and regulations on the reserves hosting the proposed projects.

In September 2004, Canada announced that it was renewing active pursuit of federal legislation to address "regulatory gap" issues. The proposed legislation would enable First Nations or Canada to enter into enforcement and implementation agreements with the Province related to regulation of environmental and safety issues.

In response to the proposed federal legislation, AAND led an interdepartmental committee, including the Ministries of Justice, Energy, Environment, Municipal Affairs, SRD and the Alberta Energy and Utilities Board, to coordinate a provincial response. The committee is maintaining an evolving "roll-up" of provincial comments and providing it to federal officials, circulating a draft list of provincial legislation that may be referentially incorporated under federal legislation, and coordinating consideration of terms that the Province considers essential in the enforcement and implementation agreements that would be needed to implement the legislation when it is passed.

With regard to specific projects proposed on First Nation reserves in Alberta, all parties have agreed that the Fort McKay Oilsands proposal should serve as a pilot project under the anticipated legislation. Subject to the timing of the Parliamentary agenda, initial outcomes from the legislative approach may be expected in 2005-06.

To advance the development of Northern Alberta.

Goal 3: Northern Development

INTRODUCTION

AAND works with the Northern Alberta Development Council (NADC), other ministries, northern communities, industry and other jurisdictions to develop and implement strategies and initiatives to advance the economic and social development of Northern Alberta. The NADC is a council of and for Northerners with a mission to advance northern development through regional initiatives in partnership with the private sector and community-based organizations.

ENGAGEMENT WITH NORTHERN STAKEHOLDERS

Engagement activities provide opportunities for Northern Albertans to express their views on key opportunities and challenges. In 2004-05, the Ministry, through the NADC, held Key Leaders' Roundtable meetings in Grimshaw, Fort McMurray, High Level and Lac La Biche. The NADC produced quarterly updates for all Northern Members of the Legislative Assembly (MLAs). A formal meeting was held with Northern MLAs in March 2005 to discuss Northern development opportunities, challenges and issues. Other engagement activities in 2004-05 included production and distribution of the quarterly NADC newsletter *Northern Developments* and enhancements to the NADC website. The NADC also provided support and information to Northern municipalities, small businesses and organizations.

NORTHERN OPPORTUNITIES

Northern development activity makes a major contribution to the provincial economy. Northern Alberta contains 100% of the province's oil sands development and is responsible for 21% of provincial crop production, 10% of provincial livestock production and 75% of the forestry portion of Alberta's Gross Domestic Product. Significant investment growth is predicted for Northern Alberta over the next decade. The Ministry's role in Northern development is to work with the NADC and other partners to promote diversification of the Northern economy and to promote the inclusion of Northern interests in the development of provincial strategies and initiatives. Major areas of focus for 2004-05 included transportation, value-added agriculture, and recycling. Initiatives related to skill development and tourism are discussed later in this section.

Transportation

The Ministry and the NADC continue to focus on further development of transportation infrastructure as one of the keys to sustained economic development and diversification throughout Northern Alberta. Progress in 2004-05 on priority transportation initiatives is summarized below.

- **Rail Transportation:** The Ministry continued to collaborate with Alberta Economic Development and Northern stakeholders on strategies to re-open the rail connection between Hythe, Alberta and Dawson Creek, British Columbia. This project is part of a larger initiative to improve rail corridors throughout the northern provinces.
- **Road Transportation:** The NADC continued to promote implementation of the Northern Alberta Highways Strategy. Priority projects include building a new link between Peace River and Fort McMurray, paving of Highways 881 and 88, and upgrade and extension of Highway 58 from High Level to Fort Nelson.
- **Air Transportation:** In 2004-05, the NADC continued to play a lead role in working with Northern stakeholders to lobby for the retention of air services at the Edmonton City Centre Airport.

Value-added Agriculture

The NADC and the Ministry worked with Northern stakeholders and organizations to investigate and promote development of value-added agriculture. Ongoing initiatives included working with the Alberta Beef Team to attract beef producers to Northern Alberta and with the Alberta Natural Health Agriculture Network (formerly the New Crops Network) to promote alternative crops for specialty markets. The NADC continued to play an active role with the Peace Agriculture Value-Added group to increase awareness of value-added agricultural opportunities. The NADC and AAND also promoted the inclusion of Northern perspectives in the development of economic diversification and value-added strategies by other provincial ministries.

Recycling

The NADC provided support and assistance to northern-based recycling projects in 2004-05. These projects address hazardous waste disposal, waste reduction and community-based recycling. The NADC assisted with organization of the Northern Alberta Recycling Workshop held in Grande Prairie in September 2004.

PARTNERSHIPS TO ADDRESS OPPORTUNITIES AND CHALLENGES

Partnerships with other jurisdictions provide important opportunities to advance Northern Alberta's interests in regional, national and international initiatives. Cooperation with other jurisdictions also assists Alberta in addressing Northern opportunities and challenges. Priority partnerships in 2004-05 included the Memorandum of Understanding (MOU) between Alberta and the Northwest Territories (NWT); the Northern Development Ministers' Forum and The Northern Forum.

Alberta-Northwest Territories Memorandum of Understanding for Cooperation and Development

AAND represents Alberta in the *Alberta-Northwest Territories (NWT) Memorandum of Understanding (MOU) for Co-operation and Development*. Priorities under this agreement are economic development, tourism, transportation, skill development and innovation. MOU-related activities in 2004-05 included updating a report on Best Practices related to recruitment and retention of Aboriginal students in northern educational institutions and research into potential Aboriginal tourism initiatives.

Northern Development Ministers' Forum

The Ministry represents Alberta on the Northern Development Ministers' Forum, a partnership with the federal government and 10 northern jurisdictions in Canada. The Forum's objectives are to enhance northern development and increase awareness of the North's contributions to Canadian social and economic development.

In 2004-05, the NADC coordinated development, production and distribution of the *Focus North* promotional package. This package was part of the Northern Awareness Enhancement Campaign, intended to raise awareness among decision-makers of the importance of Canada's North. The Ministry also participated with other northern jurisdictions to develop a northern transportation investment strategy and a northern labour inventory.

The Northern Forum

The Minister of AAND serves as North American Vice-Chair of the Northern Forum, an international consortium representing 17 Northern government jurisdictions from 11 countries. In 2004-05, the NADC completed an assessment of Alberta's involvement in The Northern Forum, in preparation for the next meeting to be held in 2005-06.

ENHANCING NORTHERN SKILL LEVELS

A skilled workforce is critical for sustaining economic development in Northern Alberta. The North is experiencing skill shortages in a number of areas, including health care. The Ministry and the NADC worked with northern communities, educational providers, employers, other ministries and other stakeholders to facilitate enhanced education and skill levels and to support recruitment and retention of skilled labour for Northern Alberta.

NADC Bursary Programs

The NADC offers bursary programs in collaboration with Alberta Advanced Education (funding is provided by Advanced Education through student finance programs). Northern bursary programs include the Northern Student Supplement, the NADC Bursary Program, the Bursary Partnerships Program, and Bursaries for Medical Students and Pharmacy Students. All NADC Bursary programs (except the Northern Student Supplement and Practicum Placement funding) require recipients to live and work in Northern Alberta upon completion of their studies. Bursary recipients' return service rates are discussed in the section "Performance Measures for Goal 3".

In 2004-05, the NADC and three northern Regional Health Authorities (RHAs) (Aspen, Northern Lights and Peace Country) co-sponsored the Northern Health Care Practicum Placement Pilot Program to encourage health care students to complete their practicum placements in Northern Alberta.

Results for the 2004-05 NADC Bursary Programs are summarized below:

- The **Northern Student Supplement** encourages first- and second-year students from Northern Alberta to pursue a post-secondary education and reduces their level of student debt. In 2004-05, 480 students from Northern Alberta received the Northern Student Supplement. Average funding per student was $1,211, for a total of $581,210.
- The **NADC Bursary Program** and the **Bursary Partnerships Program (BPP)** encourage students to train in occupations with shortages of northern labour. In 2004-05, 132 return service bursaries were awarded to Northern Alberta students from the NADC Bursary Program. The total value of NADC Bursaries for 2004-05 was $393,000 (130 Bursaries of $3,000 each and 2 Bursaries of $1,500 each). The BPP involves 35 Northern Alberta businesses, community and educational organizations. Funding support for the BPP in 2004-05 was $243,900, comprising $133,700 from sponsors and $110,200 from the NADC. A total of 105 bursaries were awarded from the BPP in 2004-05.
- The **NADC Bursary for Medical Students** was introduced in 2003-04. In 2004-05, the second year of the program, three co-sponsored Medical Bursaries, valued at $10,000 each, were awarded through this program.

- The **NADC Bursary for Pharmacy Students** is a new program introduced in 2004-05. It matches sponsor bursaries of $3,000 for a total of $6,000. Two co-sponsored Pharmacy Bursaries were awarded in the first year of the program.
- In its first full year in 2004-05, the **Northern Health Care Practicum Placement Pilot Program** provided funding support totalling $54,612 to 51 students (an average of $1,070 per student) completing a practicum placement with one of the three participating RHAs.

Northern LINKS

Northern LINKS is an ongoing NADC program intended to assist Northern students in the transition from high school to post-secondary education. In 2004-05, the Northern LINKS program provided funding for 130 projects, including campus tours, career fairs, guest speakers and mentorship programs. Northern LINKS projects encourage Northern students to complete high school and pursue post-secondary education.

Other Skill Development Initiatives

The Ministry and the NADC participate in initiatives related to education and skill development throughout Northern Alberta. Key activities in 2004-05 included:

- Support for the Youth Apprentice Project, including curriculum development, implementation and launch of the project in the fall of 2004;
- Updating and distribution of awards information for Northern students;
- Continued support for the Northern Access Bachelor of Social Work program; and
- Continued support for the Northern Labour Market Information Clearinghouse, a project with five northern colleges to improve links between employment opportunities and post-secondary education in Northern Alberta.

TOURISM DEVELOPMENT

Tourism holds promise for further development and diversification of the Northern economy. This sector also offers a wide range of employment and business opportunities for Aboriginal and Northern Albertans. The Ministry and the NADC are working with economic development and tourism stakeholders to promote further development of Northern and Aboriginal tourism in Alberta.

In 2004-05, AAND worked with Alberta Economic Development to organize Alberta's first Aboriginal Leaders' Roundtable on Tourism, hosted by the Ministers of AAND and Economic Development. In June 2004, provincial and Aboriginal leaders met to discuss the growing demand for Aboriginal tourism. An Aboriginal Tourism Advisory Council is being developed to advise the Minister of Economic Development on Aboriginal tourism development and marketing opportunities.

The Ministry also worked with Travel Alberta to identify clusters of marketable Aboriginal tourism products and to support Aboriginal tourism operators in forming partnerships and networks. The ministry, through NADC, continued to chair the Deh Cho Travel Connection group (a partnership with British Columbia and the NWT) and supported northern communities and organizations in their tourism development initiatives.

CONCLUSIONS AND CHALLENGES FOR GOAL 3

To advance the development of Northern Alberta.

The Ministry and the NADC continued to focus on coordination of initiatives and further development of partnerships to enhance awareness of the north, respond to Northern opportunities and address challenges. Transportation, value-added agriculture, and enhanced Northern education and skill levels continued as priorities in 2004-05. Progress was made in furthering the development of Northern and Aboriginal tourism and in expanding bursary programs for Northern students.

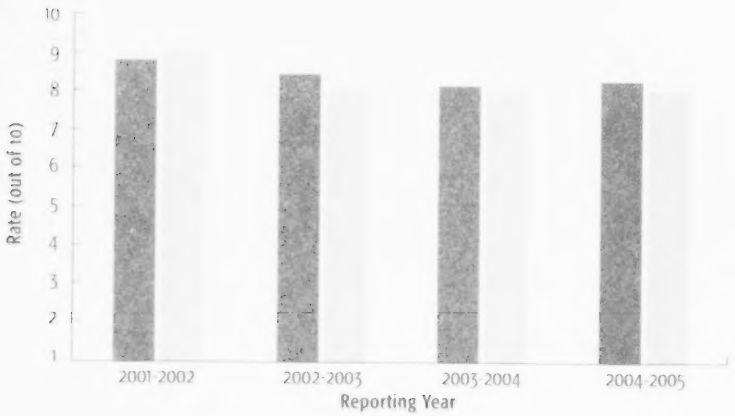
PERFORMANCE MEASURES FOR GOAL 3

Performance measures for Goal 3 assess the contribution of NADC engagement processes to the advancement of Northern interests and the effectiveness of the NADC's Bursary programs.

Partner satisfaction with Northern Alberta Development Council's contribution in advancing Northern interests

Northern leaders, NADC project partners and stakeholders are asked to rate their level of satisfaction with "the NADC's contribution to advancing northern interests." Respondents are asked to express their satisfaction level on a scale of 1 to 10 (1=very dissatisfied; 10=very satisfied). The average satisfaction rating was 8.2 out of 10, which represents a slight increase from last year (2003-04 - 8.1). This result exceeds the Ministry's business planning target of 80%.

The NADC Clients and Partners Survey was a random telephone survey conducted by an independent consultant. During April 2005, 126 of 148 identified project partners, stakeholders and Northern leaders were surveyed. The response rate was 85% and results are considered reliable to within +/- 5% at a 95% confidence interval.



Partner Satisfaction with NADC (2001-2004)

Satisfaction Rate

Ministry Target

Source:
2004/2005 Client and Partners Survey

Northern Alberta Development Council Bursary recipients' return service rate

The NADC Bursary includes a requirement for students to enter into a reciprocal agreement to work in Northern Alberta upon completion of their education.

The return service rate measures compliance with this obligation. The rate includes both those students who are completing their return service and those who have fulfilled their obligation. It should be noted that students who do not fulfill their return service obligations are required to repay any bursaries received.

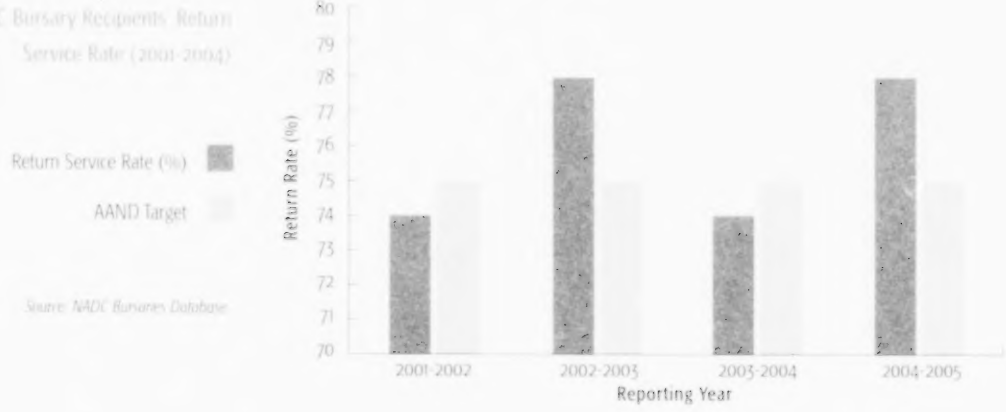
Return service rates are calculated based on bursaries received by students who graduated in the previous three years. The current return service rate for the NADC Bursary is 78%, which represents an increase of 4% from last year and exceeds the Ministry's business planning target of 75% (see table below).

NADC Bursary Recipients' Return Service Rates 2002 – 2004

Reporting Year	Return Service Rate Target (%)	Return Service Rate (%)	Education Completed
2002-03	75	78	Jan 1, 2000 to Dec 31, 2002
2003-04	75	74	Jan 1, 2001 to Dec 31, 2003
2004-05	75	78	Jan 1, 2002 to Dec 31, 2004

Source: NADC Bursaries Database

NADC Bursary Recipients' Return Service Rate (2001-2004)



Source: NADC Bursaries Database

Goal 4: Organizational Excellence

To achieve organizational excellence.

INTRODUCTION

AAND's organizational excellence goal supports the Ministry's mission through internal capacity building and continuous improvement in operational practices. Activities in 2004-05 in support of this goal included continued implementation of a comprehensive human resource development program and enhanced collection, management and sharing of information.

HUMAN RESOURCE DEVELOPMENT

The Ministry's 2004-07 Human Resource Plan reflected feedback from the Corporate Employee Survey and employee focus groups. Implementation of the plan included staff development to assist in meeting the challenges outlined in the Ministry Business Plan. Ministry planning practices included improved alignment of unit and individual goals with ministry and government-wide strategies, goals and measures.

INFORMATION MANAGEMENT

Information management, both internally and with external partners, is critical to achievement of the Ministry's strategies, goals and mission. In 2004-05, AAND continued further development and management of a digital catalogue system for agreements between the province and Aboriginal communities, organizations and governments. The Ministry also managed the Métis Settlements Land Registry and developed information and statistical publications.

Métis Settlements Land Registry

The Métis Settlements Land Registry (MSLR), established in 1991, keeps all records relating to land interests on the Métis Settlements. The MSLR creates, transfers and terminates legal property rights pursuant to legislation and based on requests from Settlements and Settlement members. The Ministry assumed administrative responsibility for the MSLR in 2002-03. Recommendations for upgrades to the MSLR's technology infrastructure, developed in 2003-04, are in the process of being implemented. MSLR files are being digitized and a new web-based data management system is being developed.

Research and Publications

AAND produces and disseminates publications to improve understanding and awareness of Aboriginal people and issues. Information publications facilitate contact between Aboriginal communities and organizations and government ministries, other orders of government, industry, service providers and the general public.

AAND produced the following information publications in 2004-05:

- *A Guide to Aboriginal Organizations in Alberta* (4 editions); and
- *Profiles: Metis Settlements and First Nations* (2 editions).

Statistical publications report data from the Canada Census and the Federal Indian Register on demographic characteristics of the Aboriginal population in Alberta. This data is used by government, service providers, communities and researchers in program and policy development.

AAND produced the following statistical publications in 2004-05:

- *Alberta: First Nations Population Summary*;
- *First Nations of Alberta - Indian Register Population 2005*; and
- *Aboriginal Component Groups of Alberta: Socio-Demographic Characteristics 2001*.

In 2004-05, the Ministry worked with Statistics Canada, INAC and Western Economic Diversification to produce community profiles for 55 Aboriginal communities in Alberta, based on socio-demographic data from the 2001 Canada Census. Profiles can be used to support strategic planning at the community level. Copies of these publications can be purchased from Statistics Canada.

AAND also produces publications reporting on ministry initiatives and other accomplishments in support of the goals of the APF. In 2004-05, these publications included:

- *Aboriginal Framework News*, Volume 5, Number 1 (Spring 2004);
- *AAND Update* (Summer 2004); and
- *Aboriginal Policy Initiative 2003-04 Report to Albertans* (December 2004).

Copies of all information and statistical publications are available from the Ministry.

CONCLUSIONS AND CHALLENGES FOR GOAL 4

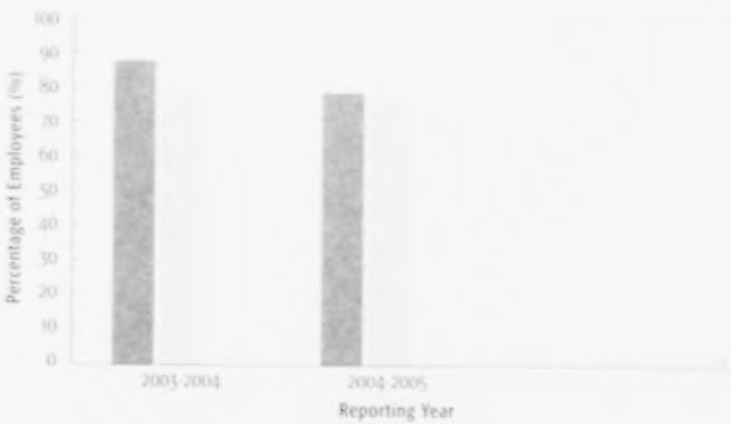
The Ministry continues to build its internal capacity to achieve the strategies and goals outlined in its Business Plan. Increasing expectations from stakeholders and partners and increasing Aboriginal participation in provincial initatives will continue to present challenges for a small ministry. Improved information management will be one of the keys to achieving the Ministry's organizational excellence goal and meeting partner expectations.

PERFORMANCE MEASURE FOR GOAL 4

Percentage of employees who know and understand how their work contributes to the achievement of the Department Business Plan

A question on the CES measures alignment between individual and organizational goals. In 2004, 79% of AAND staff surveyed agreed or strongly agreed that they "know and understand how their work contributes to the achievement of the department business plan". While this result represents a decrease of 8% from last year (2003-04 CES result = 87%), it exceeds the Ministry's target of 77% and the APS average of 73%.

AAND measures progress toward its Organizational Excellence Goal using results from the Corporate Employee Survey (CES), administered annually across the Alberta Public Service (APS). In September-October 2004, 48 AAND employees (64% of Ministry staff) participated in the annual Government of Alberta (GOA) CES. The sample for the CES, conducted on-line and by telephone, was drawn randomly from listings of all management and non-management staff employed by the GOA in permanent, full-time positions. The margin of error for AAND employee survey results is no greater than +/- 5% at the 95% confidence level. For the APS as a whole (including APS averages), the sample size was 9,290 and the margin of error was no greater than +/- 1% at a 95% confidence level.



Future Corporate Planning Direction

AAND'S ANNUAL BUSINESS PLANNING process includes feedback from staff and partners as well as review for compliance with government-wide business planning standards. The Ministry has continually refined its priorities, goals, strategies and performance measures since the first Ministry Business Plan in 2001-02. The table below outlines the Ministry's goals and performance measures for 2004-07 and revisions to the goals and measures for 2005-08.

2004-07 GOALS AND PERFORMANCE MEASURES	2005-08 GOALS AND PERFORMANCE MEASURES
Goal 1: Proactively collaborate with Aboriginal governments/organizations, other ministries, jurisdictions and stakeholders to identify and resolve issues. • Métis Settlements self-generated revenue from industrial taxation, user fees and levies. • Narrative report on development of the Aboriginal Policy Checklist.	Goal 1: Provide a leadership role in assisting government to manage significant Aboriginal issues requiring a coordinated policy or strategic response. • % of Alberta ministries addressing Aboriginal issues. • % of targets identified in Aboriginal Policy Initiative achieved.
Goal 2: Assist in development of strategies and initiatives to promote the well-being and self-reliance of Aboriginal people in Alberta. • % of targets identified in Aboriginal Policy Initiative 2004-05 achieved. • % of Alberta Ministries addressing Aboriginal issues. • Narrative report on strategies to address regulatory barriers to economic development on First Nation reserves.	Goal 2: Provide advice and specialized knowledge to assist other ministries, Aboriginal governments, communities and organizations and other interested parties to identify and resolve emerging issues. • Métis Settlements self-generated revenue from industrial taxation, user fees and levies. • Progress on the negotiation and implementation of land related agreements. • Number of capacity building initiatives with Aboriginal communities and organizations.

2004-07 GOALS AND PERFORMANCE MEASURES	2005-08 GOALS AND PERFORMANCE MEASURES
Goal 3: To advance development of Northern Alberta. • Partner satisfaction with Northern Alberta Development Council's contribution in advancing northern interests. • Northern Alberta Development Council Bursary recipients' return service rate.	**Goal 3: Provide a strategic leadership and coordination role in identifying and addressing Northern issues.** • Partner satisfaction with GADIC's contribution in advancing Northern interests. • Bursary Return Rate. • Number of stakeholder partnerships, including municipalities and Aboriginal organizations (measure to be developed).
Goal 4: To achieve organizational excellence. • % of employees who know and understand how their work contributes to achievement of the Department Business Plan.	**Goal 4: To achieve organizational excellence.** • Included in unit 2005-06 operational plans.

FINANCIAL STATEMENTS

MARCH 31, 2005

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AUDITOR GENERAL
Alberta

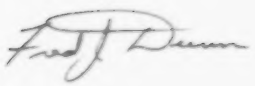
Auditor's Report

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Aboriginal Affairs and Northern Development as at March 31, 2005 and the statements of operations and cash flows for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.



STATEMENT OF OPERATIONS

Year ended March 31, 2005
(in thousands)

	2005		2004
	Budget	Actual	Actual
Revenues			
Other Revenue	$ -	$ 81	$ 60
	-	81	60
Expenses - Directly Incurred (Note 2b and Schedule 5)			
Voted (Schedules 1 and 2)			
Aboriginal Affairs	17,842	17,807	16,497
Métis Settlements Appeal Tribunal	942	966	967
Northern Development	2,004	2,000	1,926
Métis Settlements Governance	4,871	4,871	5,910
	25,659	25,644	25,300
Statutory (Schedules 1 and 2)			
Métis Settlements Legislation	10,000	10,000	10,000
Valuation Adjustment			
Provision for Vacation Pay	-	(8)	11
	10,000	9,992	10,011
	35,659	35,636	35,311
Net Operating Results	$ (35,659)	$ (35,555)	$ (35,251)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF FINANCIAL POSITION

Year ended March 31, 2005
(in thousands)

	2005	2004
ASSETS		
Accounts Receivable	51	23
Advances	3	6
Tangible Capital Assets (Note 3)	96	-
	$ 150	$ 29
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 4)	$ 17,995	$ 17,437
NET LIABILITIES		
Net Liabilities at Beginning of Year	(17,408)	(19,724)
Net Operating Results	(35,555)	(35,251)
Net Transfer from General Revenues	35,118	37,567
Net Liabilities at End of Year	(17,845)	(17,408)
	$ 150	$ 29

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CASH FLOWS

Year ended March 31, 2005
(in thousands)

	2005	2004
Operating Transactions		
Net Operating Results	$ (35,555)	$ (35,251)
Non-cash items included in Net Operating Results		
Amortization	1	-
Valuation Adjustments	(8)	11
	(35,562)	(35,240)
(Increase) Decrease in Accounts Receivable and Advances	(25)	8
Increase (Decrease) in Accounts Payable and Accrued Liabilities (Note 4)	566	(2,358)
Cash Applied to Operating Transactions	(35,021)	(37,590)
Capital Transactions		
Acquisition of Tangible Capital Assets	(97)	-
Financing Transactions		
Net Transfer from General Revenues	35,118	37,567
Decrease in Cash	-	(23)
Cash, Beginning of Year	-	23
Cash, End of Year	$ -	$ -

The accompanying notes and schedules are part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended March 31, 2005

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Aboriginal Affairs and Northern Development operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The purpose of the Ministry of Aboriginal Affairs and Northern Development is to lead in the development of government wide strategies and policies to improve the well-being and self-reliance of Aboriginal people; to promote development of northern Alberta; and to guide Alberta's relations with Aboriginal and northern governments, communities and organizations and other partners.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries.

(a) Reporting Entity

The reporting entity is the Ministry of Aboriginal Affairs and Northern Development for which the Minister of Aboriginal Affairs and Northern Development is accountable. The Ministry Annual Report provides a more comprehensive accounting of the financial position and results of the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer (to) from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets.
- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.
- grants are recognized when authorized and eligibility criteria are met.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 5.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals. The fair values of the financial assets are estimated to approximate their carrying values because of the short term nature of these instruments. Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Accounts receivable are unsecured and non-interest bearing.

Advances represent amounts provided to Ministry employees for travel expenses and are non-interest bearing and recoverable on demand.

Assets acquired by right are not included. Tangible capital assets of the Ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $5,000 (2004 - $15,000).

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end. The fair value of accounts payable and accrued liabilities is estimated to approximate their carrying value.

Net Liabilities

Net liabilities represents the difference between the carrying values of assets held by the Ministry and its liabilities.

NOTE 3 TANGIBLE CAPITAL ASSETS

(in thousands)

		2005			2004
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Equipment (a)	10 years	$ 71	$ –	$ 71	$ –
Computer hardware and software	5 years	26	1	25	–
		$ 97	$ 1	$ 96	$ –

(a) Equipment includes office equipment and furniture.

NOTE 4 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2005	2004
Accounts Payable	$ 1,543	266
Accrued Liabilities:		
Manpower	529	286
Supplies and Services	13,747	16,264
Grants	1,870	113
Vacation Pay	487	495
Other	19	13
	$ 17,995	$ 17,437

(1) Includes an obligation to pay $10,000 over four years under a settlement agreement with a First Nation. The annual payment is $2,500.

NOTE 5 CONTRACTUAL OBLIGATIONS

As at March 31, 2005, the Ministry has a commitment of $20 million (2004 - $30 million) under the *Métis Settlements Accord Implementation Act*. The Act requires payment of $10 million per year until April 1, 2006.

In 1997 an agreement was signed suspending Sections 7, 8 and schedule 1 of the *Métis Settlements Accord Implementation Act*. These sections outlined future obligations with respect to matching of the amount the Métis Settlements Council collected from eligible sources each year until March 31, 2002, and provided for matching grants in the years from April 1, 2002 to March 31, 2007. As future obligations cannot be determined, these sections of the agreement have been replaced with annual amendments that provide for the current year's allocation.

A Matching Grants Replacement Agreement between the Ministry and the Métis Settlements General Council provides for a commitment of funding to the Métis Settlements General Council of $4,086,000 ($2004 - $4,871,000).

The Ministry has commitments to pay $200,000 ($2004 - $600,000) under protocol agreements and memoranda of understanding with First Nations.

As at March 31, 2005, the Ministry also had service contract commitments totalling $474,500 ($2004 - $450,000).

NOTE 6 CONTINGENT LIABILITIES

The Province, as represented by the Ministry of Aboriginal Affairs and Northern Development, has a contingent liability in respect of 34 claims (2004 – 39) concerning aboriginal rights, Indian title and treaty rights. In most cases, these claims have been filed jointly and severally against the Province of Alberta and the Government of Canada, and in some cases involve third parties. Of these claims, 21 (2004 – 24) have specified amounts totalling $125,247 million (2004 – $129,497 million) plus a provision for interest and other costs that are not now calculable. The other 13 claims (2004 – 15) have not specified any amounts. At this time, the outcome of these claims cannot be determined. In addition, there are 3 treaty land entitlement claims (2004 – 3 claims) for which Alberta may have an obligation under the Natural Resource Transfer Agreement.

NOTE 7 DEFINED BENEFIT PLANS

(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $449 for the year ended March 31, 2005 (2004 - $377).

At December 31, 2004, the Management Employees Pension Plan reported a deficiency of $268,101 (2003 – $290,014) and the Public Service Pension Plan reported a deficiency of $450,068 (2003 – $584,213). At December 31, 2004, the Supplementary Retirement Plan for Public Service Managers had a surplus of $9,404 (2003 – $9,312).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2005, the Bargaining Unit Plan reported an actuarial deficiency of $11,817 (2004 - $9,766) and the Management, Opted Out and Excluded Plan an actuarial surplus of $3,208 (2004 – $1,298). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 8 COMPARATIVE FIGURES

Certain 2004 figures have been reclassified to conform to the 2005 presentation.

NOTE 9 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

Expenses - Directly Incurred Detailed by Object

Year ended March 31, 2005

(in thousands)

	2005		2004
	Budget	Actual	Actual
Voted			
Grants			
Métis Settlements Governance	$ 4,870	$ 4,870	$ 5,222
Aboriginal Affairs	5,228	5,492	5,959
Northern Development	425	398	377
	10,523	10,760	11,558
Salaries, Wages and Employee Benefits	5,886	5,417	5,000
Supplies and Services	8,206	9,148	10,635
Supplies and Services from Support Service Arrangements with Related Parties (1)	–	244	229
	8,206	9,392	10,864
Financial Transactions and Other	54	75	28
Amortization of Tangible Capital Assets	75	1	
	$ 25,494	$ 25,644	$ 27,500
Statutory			
Grants			
Métis Settlements Legislation	$ 10,000	$ 10,000	$ 10,000
Valuation adjustments			
Provision for Vacation Pay		(8)	8
	$ 10,000	$ 9,992	$ 10,008

(1) The Ministry receives financial reporting and human resource services from the Ministry of Education. The Ministry also receives information technology services, financial, and administrative services from the Ministry of International and Intergovernmental Relations.

SCHEDULE TO THE FINANCIAL STATEMENTS – SCHEDULE 2

Comparison of Expenses - Directly Incurred, EIP and Capital Investment and Statutory Expenses by Element to Authorized Budget

Year ended March 31, 2005

(in thousands)

	2004-2005 Authorized Budget	2004-2005 Actual Expense (a)	Unexpended (Over Expended)
Voted Expenses			
Aboriginal Affairs			
1.0.1 Minister's Office	$ 300	$ 293	$ 7
1.0.2 Ministry Support Services			
•Operating Expense	1,489	1,571	(82)
•EIP	25	97	(72)
1.0.3 Aboriginal Affairs			
•Operating Expense	13,549	13,689	260
•EIP	100		100
1.0.4 Protocol Agreements	2,704	2,854	(150)
	17,967	17,904	63
Metis Settlements Appeal Tribunal			
2.0.1 Metis Settlements Appeal Tribunal	942	966	(24)
Northern Development			
3.0.1 Northern Development	2,004	2,000	4
Metis Settlement Governance			
4.0.1 Metis Settlements Funding	4,871	4,871	
	$ 25,784	$ 25,741	$ 43
Operating Expense	$ 25,659	$ 25,644	$ 15
Equipment/Inventory Purchases	125	97	28
	$ 25,784	$ 25,741	$ 43
Statutory Expenses			
Metis Settlements Legislation	$ 10,000	$ 10,000	$ -
Valuation Adjustments			
Provision for Vacation Pay		(8)	8
	$ 10,000	$ 9,992	$ 8

(a) Includes achievement bonus amounting to $252

SCHEDULE TO THE FINANCIAL STATEMENTS – SCHEDULE 3

Salary and Benefits Disclosure

Year ended March 31, 2005

(in thousands)

	2005				2004
	Base Salary [1]	Other Cash Benefits [2]	Other Non-cash Benefits [3]	Total	Total
Deputy Minister [4][5]	$ 147,817	$ 33,129	$ 27,406	$ 208,352	$ 216,089
Executives					
Assistant Deputy Minister - Aboriginal Affairs	125,158	41,054	24,743	188,935	155,505
Executive Director - Northern Alberta Development Council	92,756	25,539	20,062	138,357	123,794
Executive Director - Strategic Services	106,644	23,849	20,803	151,296	148,340
Executive Director - Aboriginal Land & Legal Issues	108,864	24,343	23,542	156,749	154,733
Director - Corporate Services [5][6]	78,157	26,638	16,488	121,283	125,833

Total salary and benefits relating to a position are disclosed.

(1) Base salary includes regular base pay.

(2) Other cash benefits include bonuses, vacation payouts, overtime, and lump sum payments.

(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

(4) Automobile provided, no dollar amount included in other non-cash benefits.

(5) The position was occupied by two individuals through the year.

(6) The incumbent's services are shared equally with the Ministry of International and Intergovernmental Relations which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this Schedule.

SCHEDULE TO THE FINANCIAL STATEMENTS – SCHEDULE 4

Related Party Transactions

Year ended March 31, 2005

(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	2005	2004
Expenses - Directly Incurred		
Supplies and services provided by other ministries	$ 545	$ 638

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements.

	2005	2004
Expenses - Incurred by Others		
Accommodation	$ 1,051	$1,348
Legal	587	560
Others	15	-
	$ 1,653	$ 1,908

SCHEDULE TO THE FINANCIAL STATEMENTS – SCHEDULE 5

Allocated Costs

Year ended March 31, 2005

(in thousands)

	2005					2004
		Expenses - Incurred by Others		Valuation Adjustments		
Program	Expenses (1)	Accommodation Costs	Legal Services	Vacation Pay	Expenses	Expenses
Aboriginal Affairs	$ 17,807	$ 789	$ 587	$ (6)	$ 19,177	$ 18,083
Métis Settlements Appeals Tribunal	966	56	-	-	1,022	1,030
Northern Development	2,000	84	-	(2)	2,082	2,023
Métis Settlements Governance	4,871	122	-	-	4,993	6,083
Métis Settlements Legislation	10,000	-	-	-	10,000	10,000
	$ 35,644	$ 1,051	$ 587	$ (8)	$ 37,274	$ 37,219

1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

ALPHABETICAL LIST OF GOVERNMENT ENTITIES' FINANCIAL STATEMENTS

Entities Included in the Consolidated Government Reporting Entity

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Agriculture Financial Services Corporation[1]	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Capital Finance Authority	Finance
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Finance
Alberta Heritage Savings Trust Fund	Finance
Alberta Heritage Scholarship Fund	Finance
Alberta Heritage Science and Engineering Research Endowment Fund	Finance
Alberta Historical Resources Foundation	Community Development
Alberta Insurance Council	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Finance
Alberta School Foundation Fund Education	
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Finance
Alberta Social Housing Corporation	Seniors and Community Supports
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches Finance	
ATB Investment Services Inc.	Finance

[1] The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation, effective April 1, 2004.

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Child and Family Services Authorities:	Children's Services
Calgary and Area Child and Family Services Authority	
Central Alberta Child and Family Services Authority	
East Central Alberta Child and Family Services Authority	
Edmonton and Area Child and Family Services Authority	
North Central Alberta Child and Family Services Authority	
Northeast Alberta Child and Family Services Authority	
Northwest Alberta Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Southwest Alberta Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta[1]	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Education	Education
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Seniors and Community Supports	Seniors and Community Supports
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc.	Finance
Government House Foundation	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCORE Inc.	Innovation and Science
Lottery Fund	Gaming

[1] The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation, effective April 1, 2004.

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Ministry of Advanced Education[2]	Advanced Education
Ministry of Aboriginal Affairs and Northern Development[2]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development
Ministry of Economic Development[2]	Economic Development
Ministry of Education	Education
Ministry of Energy	Energy
Ministry of Environment[2]	Environment
Ministry of Finance	Finance
Ministry of Executive Council[2]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services[2]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment[2]	Human Resources and Employment
Ministry of Infrastructure and Transportation[2]	Infrastructure and Transportation
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations[2]	International and Intergovernmental Relations
Ministry of Justice[2]	Justice
Ministry of Municipal Affairs[2]	Municipal Affairs
Ministry of Restructuring and Government Efficiency[2]	Restructuring and Government Efficiency
Ministry of Seniors and Community Supports	Seniors and Community Supports
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Community Boards:	Seniors and Community Supports
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
South Region Community Board	
Persons with Developmental Disabilities Provincial Board	Seniors and Community Supports
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation	Community Development

[2] Ministry includes only the departments so separate department financial statements are not necessary.

Entities Not Included in the Consolidated Government Reporting Entity

FUND OR AGENCY	MINISTRY ANNUAL REPORT
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Education
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan - Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan - Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Provincial Judges and Masters in Chambers (Unregistered) Pension Plan	Finance
Public Post Secondary Institutions Advance Education	
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Education
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Human Resources and Employment

Alberta
Aboriginal Affairs and
Northern Development

Printed in Edmonton, Alberta, Canada
September 2005
ISSN: 1703-8596